No. 86
STATE OF MICHIGAN

JOURNAL
OF THE
House of Representatives

100th Legislature
REGULAR SESSION OF 2019

House Chamber, Lansing, Tuesday, September 17, 2019.

1:30 p.m.

The House was called to order by Associate Speaker Pro Tempore Lilly.

The roll was called by the Clerk of the House of Representatives, who announced that a quorum was present.

Afendoulis—present
Albert—present
Alexander—present
Allor—present
Anthony—present
Bellino—present
Berman—present
Bolden—present
Bollin—present
Brann—present
Brixie—present
Byrd—present
Calley—present
Cambensy—present
Camilleri—present
Carter, B.—excused
Carter, T.—present
Chatfield—present
Cherry—present
Chirkun—present
Clemente—present
Cole—present
Coleman—present
Crawford—present
Eisen—present
Elder—present
Ellison—present
Farrington—present
Filler—present
Frederick—present
Garrett—excused
Garza—present
Gay-Dagnogo—present
Glenn—present
Green—present
Greig—present
Griffin—present
Guerra—present
Haadsma—present
Hall—present
Hammoud—present
Hauck—present
Hernandez—present
Hertel—present
Hoadley—present
Hoitenga—present
Hood—present
Hope—present
Hornberger—present
Howell—present
Huizenga—present
Iden—present
Inman—present
Johnson, C.—present
Johnson, S.—present
Jones—present
Kahle—present
Kennedy—present
Koleszar—present
Kuppa—present
LaFave—present
LaGrand—present
Lasinski—present
Leutheuser—present
Liberati—present
Lightner—present
Lilly—present
Love—present
Lower—present
Maddock—present
Manoogian—present
Marino—present
Markkanen—present
Meerman—present
Miller—present
Mueller—present
Neeley—present
O'Malley—present
Pagan—present
Paquette—present
Peterson—present
Pohutsky—present
Rabhi—present
Reilly—present
Rendon—present
Robinson—present
Sabo—present
Schroeder—present
Shannon—present
Sheppard—present
Slagh—present
Sneller—present
Sowerby—present
Stone—present
Tate—present
VanSingel—present
VanWoerkom—present
Vaupel—present
Wakeman—present
Warren—present
Webber—present
Wendzel—present
Wentworth—present
Whiteford—present
Whitsett—present
Wittenberg—present
Witwer—present
Wozniak—present
Yancey—present
Yaroch—present

e/d/s = entered during session

Pastor Wes Morris, Pastor of The Rock Church in Fenton, offered the following invocation:

"Father, we come before You today grateful for the way You faithfully bless, protect and provide for us.

I thank You for these leaders of government sitting here today. For Representative Mueller allowing me this opportunity to call upon You and ask for Your blessing over our State and those who lead it. God please give them the wisdom to lead us in the direction of Your righteousness.

As they continue to govern the state of Michigan, I pray for unity among every person here regardless of political affiliation. Protect and encourage Governor Whitmer, these in this room, and those in local government. Give them strength, insight and a fresh fire in their spirit.

Help the citizens of Michigan, pastors and spiritual leaders to hold these men and women up in authentic, fervent prayer.

I pray for Your blessing and protection over their marriages, children, and grandchildren. I pray for any who may be battling sickness and disease of any kind. Give them miraculous strength & healing for their bodies. Rebuke Satan and all his malicious attacks against these sitting here and their households.

We thank You for the free gift of eternal salvation given to all who will come by faith to the risen Jesus and confess Him as their Lord.

I pray for anyone here, who may be shackled by the heavy burden of their sin. May You right now Lord, shine the light of the gospel upon all pain, regret, and shame they may carry. Give them courage to call upon You for eternal life and the salvation of their souls.

Today we say with the prophet Daniel:

Let the name of God be blessed forever and ever, for wisdom and power belong to Him. It is He Who changes the times and world events. He removes kings and establishes kings. He gives wisdom to wise men and knowledge to men of understanding.

I pray for everyone here today, in Jesus name, Amen."

The Speaker assumed the Chair.

Rep. Rabhi moved that Reps. Garrett and Brenda Carter be excused from today's session.

The motion prevailed.

Messages from the Senate

The Speaker laid before the House

House Bill No. 4446, entitled

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending sections 4, 5, 6, 9, 12, 21, 24, 26, 34, 35, 41, 51, 54, and 55 (MCL 169.204, 169.205, 169.206, 169.209, 169.212, 169.221, 169.224, 169.226, 169.234, 169.235, 169.241, 169.251, 169.254, and 169.255), sections 4, 9, 24, 26, 35, 51, 54, and 55 as amended by 2017 PA 119, sections 5 and 41 as amended by 1999 PA 237, section 6 as amended by 2018 PA 607, section 12 as amended by 2001 PA 250, section 21 as amended by 2015 PA 269, and section 34 as amended by 2012 PA 277.

(The bill was received from the Senate on September 12, with substitute (S-2), full title inserted and immediate effect given by the Senate, consideration of which, under the rules, was postponed until today, see House Journal No. 85, p. 1055.)

The question being on concurring in the substitute (S-2) made to the bill by the Senate,

The substitute (S-2) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 207 **Yeas—82**

Afendoulis	Farrington	LaGrand	Sabo
Albert	Filler	Lasinski	Schroeder

Alexander	Frederick	Leutheuser	Shannon
Allor	Glenn	Liberati	Sheppard
Bellino	Green	Lightner	Slagh
Berman	Greig	Lilly	Sowerby
Bollin	Griffin	Lower	Tate
Brann	Guerra	Maddock	VanSingel
Brixie	Hall	Marino	VanWoerkom
Byrd	Hauck	Markkanen	Vaupel
Calley	Hernandez	Meerman	Wakeman
Cambensy	Hertel	Miller	Warren
Chatfield	Hoitenga	Mueller	Webber
Chirkun	Hornberger	Neeley	Wendzel
Clemente	Huizenga	O'Malley	Wentworth
Cole	Iden	Paquette	Whiteford
Coleman	Inman	Peterson	Whitsett
Crawford	Johnson, S.	Rabhi	Witwer
Eisen	Kahle	Reilly	Wozniak
Elder	Kuppa	Rendon	Yaroch
Ellison	LaFave		

Nays—26

Anthony	Haadsma	Jones	Pohutsky
Bolden	Hammoud	Kennedy	Robinson
Camilleri	Hoadley	Koleszar	Sneller
Carter, T.	Hood	Love	Stone
Cherry	Hope	Manoogian	Wittenberg
Garza	Howell	Pagan	Yancey
Gay-Dagnogo	Johnson, C.		

In The Chair: Chatfield

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

The Speaker called Associate Speaker Pro Tempore Lilly to the Chair.

By unanimous consent the House returned to the order of

Motions and Resolutions

Reps. Glenn, Bollin, Crawford, Love, Schroeder, Wittenberg and Yaroch offered the following resolution:

House Resolution No. 162.

A resolution to declare September 17-23, 2019, as Constitution Week in the state of Michigan.

Whereas, September 17, 2019, marks the two hundred and thirty-second anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

Whereas, The 232nd anniversary of the signing of the Constitution provides an historic opportunity for citizens throughout Michigan and the nation to pay tribute to our Founding Fathers and to reflect on the rights, privileges, and responsibilities of citizenship; and

Whereas, By instilling faith in the promise of democracy, the United States Constitution has served as a model for democratic governments around the globe; and

Whereas, The United States Constitution secured our commitment to freedom and democracy, a commitment which has guided us through more than two centuries of enormous growth and change; and

Whereas, We encourage all citizens to study the Constitution and reflect on the privilege of being an American with all the rights and responsibilities which that privilege involves; and

Whereas, The Constitution of the United States of America, the guardian of our liberties, embodies the principles of limited government in a Republic dedicated to rule by law; and

Whereas, Constitution Week is a time to emphasize citizens' responsibilities for protecting and defending the Constitution; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body declare September 17-23, 2019, as Constitution Week in the state of Michigan.

The question being on the adoption of the resolution,

The resolution was adopted.

Third Reading of Bills

Senate Bill No. 452, entitled

A bill to amend 1986 PA 32, entitled "Emergency 9-1-1 service enabling act," by amending section 408 (MCL 484.1408), as amended by 2018 PA 51.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 208 **Yeas—108**

Afendoulis	Filler	Kahle	Reilly
Albert	Frederick	Kennedy	Rendon
Alexander	Garza	Koleszar	Robinson
Allor	Gay-Dagnogo	Kuppa	Sabo
Anthony	Glenn	LaFave	Schroeder
Bellino	Green	LaGrand	Shannon
Berman	Greig	Lasinski	Sheppard
Bolden	Griffin	Leutheuser	Slagh
Bollin	Guerra	Liberati	Sneller
Brann	Haadsma	Lightner	Sowerby
Brixie	Hall	Lilly	Stone
Byrd	Hammoud	Love	Tate
Calley	Hauck	Lower	VanSingel
Cambensy	Hernandez	Maddock	VanWoerkom
Camilleri	Hertel	Manoogian	Vaupel
Carter, T.	Hoadley	Marino	Wakeman
Chatfield	Hoitenga	Markkanen	Warren
Cherry	Hood	Meerman	Webber
Chirkun	Hope	Miller	Wendzel
Clemente	Hornberger	Mueller	Wentworth
Cole	Howell	Neeley	Whiteford
Coleman	Huizenga	O'Malley	Whitsett
Crawford	Iden	Pagan	Wittenberg
Eisen	Inman	Paquette	Witwer
Elder	Johnson, C.	Peterson	Wozniak
Ellison	Johnson, S.	Pohutsky	Yancey
Farrington	Jones	Rabhi	Yaroch

Nays—0

In The Chair: Lilly

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

"An act to provide for the establishment of emergency 9-1-1 districts; to provide for the installation, operation, modification, and maintenance of universal emergency 9-1-1 service systems; to provide for the imposition and collection of certain charges; to provide the powers and duties of certain state agencies, local units of government, public officers, service suppliers, and others; to create an emergency 9-1-1 service committee; to provide remedies and penalties; and to repeal acts and parts of acts,"

The House agreed to the full title.

Rep. Cole moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Senate Bill No. 438, entitled

A bill to amend 1972 PA 284, entitled "Business corporation act," by amending section 1060 (MCL 450.2060), as amended by 2018 PA 85.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 209 **Yeas—106**

Afendoulis	Garza	Koleszar	Rendon
Albert	Gay-Dagnogo	Kuppa	Robinson
Alexander	Glenn	LaFave	Sabo
Allor	Green	LaGrand	Schroeder
Anthony	Greig	Lasinski	Shannon
Bellino	Griffin	Leutheuser	Sheppard
Bolden	Guerra	Liberati	Slagh
Bollin	Haadsma	Lightner	Sneller
Brann	Hall	Lilly	Sowerby
Brixie	Hammoud	Love	Stone
Byrd	Hauck	Lower	Tate
Calley	Hernandez	Maddock	VanSingel
Cambensy	Hertel	Manoogian	VanWoerkom
Camilleri	Hoadley	Marino	Vaupel
Carter, T.	Hoitenga	Markkanen	Wakeman
Chatfield	Hood	Meerman	Warren
Cherry	Hope	Miller	Webber
Clemente	Hornberger	Mueller	Wendzel
Cole	Howell	Neeley	Wentworth
Coleman	Huizenga	O'Malley	Whiteford
Crawford	Iden	Pagan	Whitsett
Eisen	Inman	Paquette	Wittenberg
Elder	Johnson, C.	Peterson	Witwer
Ellison	Johnson, S.	Pohutsky	Wozniak
Farrington	Jones	Rabhi	Yancey
Filler	Kahle	Reilly	Yaroch
Frederick	Kennedy		

Nays—2

Berman	Chirkun

In The Chair: Lilly

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

"An act to provide for the organization and regulation of corporations; to prescribe their duties, rights, powers, immunities and liabilities; to provide for the authorization of foreign corporations within this state; to prescribe the functions of the administrator of this act; to prescribe penalties for violations of this act; and to repeal certain acts and parts of acts,"

The House agreed to the full title.

Rep. Cole moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills

House Bill No. 4370, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 16213, 16299, 20175, 20175a, and 20199 (MCL 333.16213, 333.16299, 333.20175, 333.20175a, and 333.20199), sections 16213 and 20175a as added and section 20175 as amended by 2006 PA 481 and section 16299 as amended by 2012 PA 499, and by adding sections 16213a, 16429, 17029, 17529, 17829, 17909, and 20175b.

The bill was read a second time.

Rep. Whiteford moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 4371, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 13n of chapter XVII (MCL 777.13n), as amended by 2018 PA 583.

The bill was read a second time.

Rep. Hauck moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Cole moved that House Committees be given leave to meet during the balance of today's session.

The motion prevailed.

By unanimous consent the House returned to the order of

Announcement by the Clerk of Printing and Enrollment

The Clerk announced that the following bills had been reproduced and made available electronically on Thursday, September 12:

House Bill Nos. 4949 4950 4951 4952 4953 4954 4955 4956 4957 4958 4959 4960 4961 4962 4963 4964 4965 4966 4967 4968 4969 4970 4971 4972 4973

The Clerk announced that the following bills had been reproduced and made available electronically on Tuesday, September 17:

Senate Bill Nos. 528 529 530

The Clerk announced that the following Senate bill had been received on Tuesday, September 17:

Senate Bill No. 379

Reports of Select Committees

First Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 4236, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 236, 236a, 236b, 236c, 237, 241, 245, 245a, 251, 252, 256, 263, 264, 265, 265a, 265b, 265c, 265d, 267, 268, 269, 270,

274, 274c, 276, 277, 278, 279, 280, 281, 282, 283, and 289 (MCL 388.1836, 388.1836a, 388.1836b, 388.1836c, 388.1837, 388.1841, 388.1845, 388.1845a, 388.1851, 388.1852, 388.1856, 388.1863, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1865c, 388.1865d, 388.1867, 388.1868, 388.1869, 388.1870, 388.1874, 388.1874c, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, 388.1883, and 388.1889), sections 236, 236a, 236b, 236c, 241, 245, 251, 252, 256, 263, 264, 265a, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, and 289 as amended and sections 245a, 265b, 265c, and 265d as added by 2018 PA 265, section 237 as amended by 2012 PA 201, section 265 as amended by 2018 PA 586, and section 283 as amended by 2017 PA 108.

Recommends:

First: That the Senate recede from the Substitute of the Senate as passed by the Senate.

Second: That the House and Senate agree to the Substitute of the House as passed by the House, amended to read as follows:

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 236, 236a, 236b, 236c, 237, 241, 245, 245a, 251, 252, 256, 263, 263a, 264, 265, 265a, 265b, 265c, 265d, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, 283, and 289 (MCL 388.1836, 388.1836a, 388.1836b, 388.1836c, 388.1837, 388.1841, 388.1845, 388.1845a, 388.1851, 388.1852, 388.1856, 388.1863, 388.1863a, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1865c, 388.1865d, 388.1867, 388.1868, 388.1869, 388.1870, 388.1874, 388.1874c, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, 388.1883, and 388.1889), sections 236, 236a, 236b, 236c, 241, 245, 251, 252, 256, 263, 264, 265a, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, and 289 as amended and sections 245a, 265b, 265c, and 265d as added by 2018 PA 265, section 237 as amended by 2012 PA 201, sections 263a and 283 as amended by 2017 PA 108, and section 265 as amended by 2018 PA 586, and by adding section 275d.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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, ~~2019,~~ **2020,** from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~$1,669,732,600.00.~~ **$1,685,545,000.00.** After deducting total interdepartmental grants and intradepartmental transfers in the amount of $0.00, the adjusted gross appropriation is ~~$1,669,732,600.00.~~ **$1,685,545,000.00.**

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

(*i*) Total federal revenues, ~~$123,526,400.00.~~**$128,026,400.00.**

(*ii*) Total local revenues, $0.00.

(*iii*) Total private revenues, $0.00.

(*iv*) Total other state restricted revenues, ~~$500,188,300.00.~~**$349,419,300.00.**

(*v*) State general fund/general purpose money, ~~$1,046,017,900.00.~~**$1,208,099,300.00.**

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

(a) The appropriation for Central Michigan University is ~~$87,415,000.00, $85,654,400.00 for operations and $1,760,600.00 for performance funding.~~**$89,227,800.00, $87,096,900.00 for operations, $532,800.00 for performance funding, and $1,598,100.00 for costs incurred under the North American Indian tuition waiver.**

(b) The appropriation for Eastern Michigan University is ~~$76,979,300.00, $75,169,900.00 for operations and $1,809,400.00 for performance funding.~~**$77,556,000.00, $76,816,500.00 for operations, $437,200.00 for performance funding, and $302,300.00 for costs incurred under the North American Indian tuition waiver.**

(c) The appropriation for Ferris State University is ~~$54,950,700.00, $53,595,500.00 for operations and $1,355,200.00 for performance funding.~~**$56,032,800.00, $54,732,400.00 for operations, $293,100.00 for performance funding, and $1,007,300.00 for costs incurred under the North American Indian tuition waiver.**

(d) The appropriation for Grand Valley State University is ~~$72,056,600.00, $70,100,100.00 for operations and $1,956,500.00 for performance funding.~~**$73,388,500.00, $71,780,400.00 for operations, $533,100.00 for performance funding, and $1,075,000.00 for costs incurred under the North American Indian tuition waiver.**

(e) The appropriation for Lake Superior State University is ~~$13,987,000.00, $13,775,000.00 for operations and $212,000.00 for performance funding.~~**$14,361,000.00, $13,349,300.00 for operations, $57,700.00 for performance funding, and $954,000.00 for costs incurred under the North American Indian tuition waiver.**

(f) The appropriation for Michigan State University is ~~$350,703,300.00, $281,239,100.00 for operations, $5,035,100.00 for performance funding, $34,591,400.00 for MSU AgBioResearch, and $29,837,700.00 for MSU Extension.~~**$353,872,800.00, $285,805,100.00 for operations, $1,526,600.00 for performance funding, $1,467,700.00 for costs incurred under the North American Indian tuition waiver, $34,937,300.00 for MSU AgBioResearch, and $30,136,100.00 for MSU Extension.**

(g) The appropriation for Michigan Technological University is ~~$49,949,600.00, $49,052,200.00 for operations and $897,400.00 for performance funding.~~**$50,568,100.00, $49,835,300.00 for operations, $266,300.00 for performance funding, and $466,500.00 for costs incurred under the North American Indian tuition waiver.**

(h) The appropriation for Northern Michigan University is ~~$47,998,400.00, $47,137,400.00 for operations and $861,000.00 for performance funding.~~**$48,909,100.00, $47,576,200.00 for operations, $232,900.00 for performance funding, and $1,100,000.00 for costs incurred under the North American Indian tuition waiver.**

(i) The appropriation for Oakland University is ~~$52,819,200.00, $51,235,900.00 for operations and $1,583,300.00 for performance funding.~~**$53,432,500, $52,719,900.00 for operations, $427,500.00 for performance funding, and $285,100.00 for costs incurred under the North American Indian tuition waiver.**

(j) The appropriation for Saginaw Valley State University is ~~$30,528,000.00, $29,766,100.00 for operations and $761,900.00 for performance funding.~~**$30,807,700.00, $30,456,500.00 for operations, $127,300.00 for performance funding, and $223,900.00 for costs incurred under the North American Indian tuition waiver.**

(k) The appropriation for University of Michigan – Ann Arbor is ~~$320,782,400.00, $314,589,100.00 for operations and $6,193,300.00 for performance funding.~~**$322,773,600.00, $320,255,800.00 for operations, $1,714,300.00 for performance funding, and $803,500.00 for costs incurred under the North American Indian tuition waiver.**

(*l*) The appropriation for University of Michigan – Dearborn is ~~$26,071,800.00, $25,421,900.00 for operations and $649,900.00 for performance funding.~~**$26,327,200.00, $25,986,400.00 for operations, $180,600.00 for performance funding, and $160,200.00 for costs incurred under the North American Indian tuition waiver.**

(m) The appropriation for University of Michigan – Flint is ~~$23,585,400.00, $23,061,800.00 for operations and $523,600.00 for performance funding.~~**$23,893,200.00, $23,493,800.00 for operations, $122,400.00 for performance funding, and $277,000.00 for costs incurred under the North American Indian tuition waiver.**

(n) The appropriation for Wayne State University is ~~$202,363,200.00, $199,169,800.00 for operations and $3,193,400.00 for performance funding.~~**$203,413,900.00, $202,112,700.00 for operations, $884,000.00 for performance funding, and $417,200.00 for costs incurred under the North American Indian tuition waiver.**

(o) The appropriation for Western Michigan University is ~~$111,151,000.00, $109,376,800.00 for operations and $1,774,200.00 for performance funding.~~**$112,290,100.00, $110,976,000.00 for operations, $546,200.00 for performance funding, and $767,900.00 for costs incurred under the North American Indian tuition waiver.**

(3) The amount appropriated in subsection (2) for public universities is **$1,536,854,300.00,** appropriated from the following:

(a) State school aid fund, ~~$494,286,300.00.~~**$343,168,300.00.**

(b) State general fund/general purpose money, ~~$1,027,054,600.00.~~**$1,193,686,000.00.**

(4) The amount appropriated for Michigan public school employees' retirement system reimbursement is ~~$5,133,000.00,~~ **$5,017,000.00,** appropriated from the state school aid fund.

(5) The amount appropriated for state and regional programs is $315,000.00, appropriated from general fund/general purpose money and allocated as follows:

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

(b) Midwestern Higher Education Compact, $115,000.00.

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

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

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

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

(7) Subject to subsection (8), the amount appropriated for grants and financial aid is ~~$139,583,200.00,~~ **$139,283,200.00,** allocated as follows:

(a) State competitive scholarships, $32,361,700.00.

(b) Tuition grants, $38,021,500.00.

(c) Tuition incentive program, $64,300,000.00.

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

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

~~(f) North American Indian tuition waiver, $300,000.00.~~

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

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

(b) Federal revenues under the social security act, temporary assistance for needy families, ~~$120,326,400.00.~~**$124,826,400.00.**

~~(c) Contributions to children of veterans tuition grant program, $100,000.00.~~

(c) ~~(d)~~ State general fund/general purpose money, ~~$15,956,800.00.~~**$11,256,800.00.**

(9) For fiscal year ~~2018-2019~~ **2019-2020** only, in addition to the allocation under subsection (4), from the appropriations described in subsection (1), there is allocated an amount not to exceed ~~$669,000.00~~ **$1,234,000.00** for payments to participating public universities, appropriated from the state school aid fund. A university that receives money under this subsection shall use that money solely for the purpose of offsetting the normal cost contribution rate. As used in this subsection, "participating public universities" means public universities that are a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school employees' retirement system for the state fiscal year.

(10) The amount appropriated for pregnant and parenting student services is $150,000.00, appropriated from state general fund/general purpose money, and subject to the conditions of the pregnant and parenting services act, 2004 PA 500, MCL 390.1591 to 390.1596.

Sec. 236a. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, ~~2020~~ **2021** for the items listed in section 236. The fiscal year ~~2019-2020~~ **2020-2021** appropriations are anticipated to be the same as those for fiscal year ~~2018-2019,~~ **2019-2020,** except that the amounts will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January ~~2019~~ **2020** consensus revenue estimating conference. **For fiscal year 2020-2021, the amount appropriated for Michigan public school employees' retirement system reimbursement is projected to be $7,264,000.00.**

Sec. 236b. In addition to the funds appropriated in section 236, there is appropriated for grants and financial aid in fiscal year ~~2018-2019~~ **2019-2020** an amount not to exceed $6,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for another purpose under this article.

Sec. 236c. In addition to the funds appropriated for fiscal year ~~2018-2019~~ **2019-2020** in section 236, appropriations to the department of technology, management, and budget in the act providing general appropriations for fiscal year ~~2018-2019~~ **2019-2020** for state building authority rent, totaling an estimated ~~$155,478,500.00,~~ **$144,995,300.00** provide funding for the state share of costs for previously constructed capital projects for state universities. These appropriations for state building authority rent represent additional state general fund support provided to public universities, and the following is an estimate of the amount of that support to each university:

(a) Central Michigan University, ~~$12,936,500.00.~~**$12,141,800.00.**

(b) Eastern Michigan University, ~~$7,083,900.00.~~**$7,673,600.00.**

(c) Ferris State University, ~~$8,275,000.00.~~**$8,434,200.00.**

(d) Grand Valley State University, ~~$8,800,000.00.~~**$6,752,400.00.**

(e) Lake Superior State University, ~~$2,285,800.00.~~**$1,856,100.00.**

(f) Michigan State University, ~~$16,790,400.00.~~**$15,514,900.00.**

(g) Michigan Technological University, ~~$6,782,000.00.~~**$6,912,500.00.**

(h) Northern Michigan University, ~~$7,309,000.00.~~**$7,449,600.00.**

(i) Oakland University, ~~$12,665,000.00.~~**$12,908,600.00.**

(j) Saginaw Valley State University, ~~$10,984,000.00.~~**$10,670,900.00.**

(k) University of Michigan - Ann Arbor, ~~$11,861,000.00.~~**$9,795,900.00.**

(*l*) University of Michigan - Dearborn, ~~$10,918,000.00.~~**$9,522,700.00.**

(m) University of Michigan - Flint, ~~$6,244,800.00.~~**$4,128,900.00.**

(n) Wayne State University, ~~$16,480,200.00.~~**$16,008,000.00.**

(o) Western Michigan University, ~~$16,062,900.00.~~**$15,225,200.00.**

Sec. 237. All of the appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 241. (1) Subject to sections 244 and 265a, the funds appropriated in section 236 to public universities shall be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, ~~2018.~~ **2019.** Except for Wayne State University, each institution shall accrue its July and August ~~2019~~ **2020** payments to its institutional fiscal year ending June 30, ~~2019.~~**2020.**

(2) All public universities shall submit higher education institutional data inventory (HEIDI) data and associated financial and program information requested by and in a manner prescribed by the state budget director. For public universities with fiscal years ending June 30, ~~2018,~~ **2019,** these data shall be submitted to the state budget director by October 15, ~~2018.~~ **2019.** Public universities with a fiscal year ending September 30, ~~2018~~ **2019** shall submit preliminary HEIDI data by November 15, ~~2018~~ **2019** and final data by December 15, ~~2018.~~ **2019.** If a public university fails to submit HEIDI data and associated financial aid program information in accordance with this reporting schedule, the state treasurer may withhold the monthly installments under subsection (1) to the public university until those data are submitted.

Sec. 245. (1) A public university shall maintain a public transparency website available through a link on its website homepage. The public university shall update this website within 30 days after the university's governing board adopts its annual operating budget for the next academic year, or after the governing board adopts a subsequent revision to that budget.

(2) The website required under subsection (1) shall include all of the following concerning the public university:

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

(b) A summary of current expenditures for the most recent fiscal year for which they are available, expressed as pie charts in the following 2 categories:

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

(A) Earnings and wages.

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

(C) Retirement benefit costs.

(D) All other personnel costs.

(*ii*) A chart of all current expenditures the public university reported as part of its higher education institutional data inventory data under section 241(2), broken into the same subcategories in which it reported those data.

(c) Links to all of the following for the public university:

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

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

(*iii*) Audits and financial reports for the most recent fiscal year for which they are available.

(d) A list of all positions funded partially or wholly through institutional general fund revenue that includes the position title and annual salary or wage amount for each position.

(e) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.

(f) A listing of all debt service obligations, detailed by project, anticipated fiscal year payment for each project, and total outstanding debt for the current fiscal year.

(g) The institution's policy regarding the transferability of core college courses between community colleges and the university.

(h) A listing of all community colleges that have entered into reverse transfer agreements with the university.

(3) On the website required under subsection (1), a public university shall provide a dashboard or report card demonstrating the university's performance in several "best practice" measures. The dashboard or report card shall include at least all of the following for the 3 most recent academic years for which the data are available:

(a) Enrollment.

(b) Student retention rate.

(c) Six-year graduation rates.

(d) Number of Pell grant recipients and graduating Pell grant recipients.

(e) Geographic origination of students, categorized as in-state, out-of-state, and international.

(f) Faculty to student ratios and total university employee to student ratios.

(g) Teaching load by faculty classification.

(h) Graduation outcome rates, including employment and continuing education.

(4) For statewide consistency and public visibility, public universities must use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each public university's homepage. The size of the icon may be reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent with other documents on each university's website.

(5) The state budget director shall determine whether a public university has complied with this section. The state budget director may withhold a public university's monthly installments described in section 241 until the public university complies with this section.

(6) By **the first business day of** November ~~15~~ of each year, a public university shall report the following information to the center and post the information on its website under the budget transparency icon badge:

(a) Opportunities for earning college credit through the following programs:

(*i*) State approved career and technical education or a tech prep articulated program of study.

(*ii*) Direct college credit or concurrent enrollment.

(*iii*) Dual enrollment.

(*iv*) An early college/middle college program.

(b) For each program described in subdivision (a) that the public university offers, all of the following information:

(*i*) The number of high school students participating in the program.

(*ii*) The number of school districts that participate in the program with the public university.

(*iii*) Whether a university professor, qualified local school district employee, or other individual teaches the course or courses in the program.

(*iv*) The total cost to the public university to operate the program.

(*v*) The cost per credit hour for the course or courses in the program.

(*vi*) The location where the course or courses in the program are held.

(*vii*) Instructional resources offered to the program instructors.

(*viii*) Resources offered to the student in the program.

(*ix*) Transportation services provided to students in the program.

(7) A public university shall collect and report the number and percentage of all enrolled students who complete the Free Application for Federal Student Aid, broken out by undergraduate and graduate/professional classifications, to the center and post the information on its website under the budget transparency icon badge.

Sec. 245a. (1) A public university shall develop, maintain, and update a "campus safety information and resources" link, prominently displayed on the homepage of its website, to a section of its website containing all of the information required under subsection (2).

(2) The "campus safety information and resources" section of a public university's website shall include, but not be limited to, all of the following information:

(a) Emergency contact numbers for police, fire, health, and other services.

(b) Hours, locations, phone numbers, and electronic mail contacts for campus public safety offices and title IX offices.

(c) A listing of safety and security services provided by the university, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.

(d) A public university's policies applicable to minors on university property.

(e) A directory of resources available at the university or surrounding community for students or employees who are survivors of sexual assault or sexual abuse.

(f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family", published in 2018 by the office of the governor in conjunction with the first lady of Michigan.

(g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information shall include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

(3) A public university shall certify to the state budget director by ~~August 31, 2018~~ **October 1, 2019 and the last business day of each August thereafter** that it is in compliance with this section. The state budget director may withhold a public university's monthly installments described in section 241 until the public university complies with this section.

Sec. 251. (1) Payments of the amounts included in section 236 for the state competitive scholarship program shall be distributed pursuant to 1964 PA 208, MCL 390.971 to 390.981.

(2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the department of treasury shall determine an actual maximum state competitive scholarship award per student, which shall be not less than $1,000.00, that ensures that the aggregate payments for the state competitive scholarship program do not exceed the appropriation contained in section 236 for the state competitive scholarship program. If the department determines that insufficient funds are available to establish a maximum award amount equal to at least $1,000.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a $1,000.00 maximum award amount.

(3) The department of treasury shall implement a proportional competitive scholarship maximum award level for recipients enrolled less than full-time in a given semester or term.

(4) If a student who receives an award under this section has his or her tuition and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.

(5) If the department of treasury increases the maximum award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards.

(6) Veterans Administration benefits shall not be considered in determining eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

(7) Any unexpended and unencumbered funds remaining on September 30, ~~2019~~ **2020** from the amounts appropriated in section 236 for the state competitive scholarship program for fiscal year ~~2018-2019~~ **2019-2020** do not lapse on September 30, ~~2019,~~ **2020,** but continue to be available for the expenditure for state competitive scholarships ~~provided in the 2019-2020 fiscal year~~ under a work project account. ~~The use of these unexpended fiscal year 2018-2019 funds terminates at the end of the 2019-2020 fiscal year.~~

Sec. 252. (1) The amounts appropriated in section 236 for the state tuition grant program shall be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

(2) Tuition grant awards shall be made to all eligible Michigan residents enrolled in undergraduate degree programs who are qualified and who apply ~~before~~ **by** March 1 of each year for the next academic year.

(3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (7) and (8), the department of treasury shall determine an actual maximum tuition grant award per student, which shall be no less than ~~$2,400.00,~~ **$3,000.00,** that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in section 236 for the state tuition grant program. If the department determines that insufficient funds are available to establish a maximum award amount equal to at least ~~$2,400.00,~~ **$3,000.00,** the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a ~~$2,400.00~~ **$3,000.00** maximum award amount. If the department determines that sufficient funds are available to establish a maximum award amount equal to at least ~~$2,400.00,~~ **$3,000.00,** the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the maximum award amount established and the projected amount of any projected year-end appropriation balance based on that maximum award amount. By February 18 of each fiscal year, the department shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in section 236 for the tuition grant program. The determination and actions shall be reported to the state budget director and the house and senate fiscal agencies no later than the final day of February of each year. If award adjustments are necessary, the students shall be notified of the adjustment by March 4 of each year. **The department is prohibited from using funds described in this section and appropriated in section 236(7)(b) to offset costs in any other student financial aid program.**

(4) Any unexpended and unencumbered funds remaining on September 30, ~~2019~~ **2020** from the amounts appropriated in section 236 for the tuition grant program for fiscal year ~~2018-2019~~ **2019-2020** do not lapse on September 30, ~~2019,~~ **2020,** but continue to be available for expenditure for tuition grants ~~provided in the 2019-2020 fiscal year~~ under a work project account.

(5) The department of treasury shall continue a proportional tuition grant maximum award level for recipients enrolled less than full-time in a given semester or term.

(6) If the department of treasury increases the maximum award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards for that fiscal year.

(7) Except as provided in subsection (4), the department of treasury shall not award more than ~~$4,200,000.00~~ **$5,000,000.00** in tuition grants to eligible students enrolled in the same independent nonprofit college or university in this state. Any decrease in the maximum grant shall be proportional for all eligible students enrolled in that college or university, as determined by the department. The limit described in this subsection does not apply to any other student financial aid program or in combination with any other student financial aid program.

(8) The department of treasury shall not award tuition grants to otherwise eligible students enrolled in an independent college or university that does not report, in a form and manner directed by and satisfactory to the department of treasury, by October 31 of each year, all of the following:

(a) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and successfully completed a program or graduated.

(b) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and took a remedial education class.

(c) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and successfully completed a program or graduated.

(9) By February 1 ~~, 2019,~~ **of each year,** each independent college and university participating in the tuition grant program shall report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the institution's title IX coordinator, campus law enforcement personnel, campus public safety personnel, and any other campus personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for institutional personnel.

Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program shall be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of treasury.

(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate. Students must be enrolled in a certificate or associate degree program and taking classes within the program of study for a certificate or associate degree. Tuition will not be covered for courses outside of a certificate or associate degree program.

(b) "Phase II" means the second part of the tuition incentive program which provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the department of treasury.

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

(3) An individual shall meet the following basic criteria and financial thresholds to be eligible for tuition incentive program benefits:

(a) To be eligible for phase I, an individual shall meet all of the following criteria:

(*i*) Apply for certification to the department any time after he or she begins the sixth grade but before August 31 of the school year in which he or she graduates from high school or before achieving a high school equivalency certificate.

(*ii*) Be less than 20 years of age at the time he or she graduates from high school with a diploma or certificate of completion or achieves a high school equivalency certificate or, for students attending a 5-year middle college approved by the Michigan department of education, be less than 21 years of age when he or she graduates from high school.

(*iii*) Be a United States citizen and a resident of this state according to institutional criteria.

(*iv*) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or achievement of a high school equivalency certificate. All program eligibility expires 6 years from high school graduation or achievement of a high school equivalency certificate.

(*v*) Meet the satisfactory academic progress policy of the educational institution he or she attends.

(b) To be eligible for phase II, an individual shall meet either of the following criteria in addition to the criteria in subdivision (a):

(*i*) Complete at least 56 transferable semester or 84 transferable term credits.

(*ii*) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, an individual ~~must not be incarcerated and~~ must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if he or she was eligible for Medicaid from this state for 24 months within the 36 consecutive months before application. The department shall accept certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within the 36 consecutive months before application. Certification of eligibility may begin in the sixth grade. ~~As used in this subdivision, "incarcerated" does not include detention of a juvenile in a state-operated or privately operated juvenile detention facility.~~

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall only accept standard per-credit hour tuition billings and shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs shall not be made for more than 80 semester or 120 term credits for any individual student at any participating institution.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university, or a Michigan federal tribally controlled community college, or Focus: HOPE, the department shall pay mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported on August 1, for the immediately preceding academic year.

(6) A person participating in phase II may be eligible for additional funds not to exceed $500.00 per semester or $400.00 per term up to a maximum of $2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) The department shall work closely with participating institutions to develop an application and eligibility determination process that will provide the highest level of participation and ensure that all requirements of the program are met.

(8) Applications for the tuition incentive program may be approved at any time after the student begins the sixth grade. If a determination of financial eligibility is made, that determination is valid as long as the student meets all other program requirements and conditions.

(9) Each institution shall ensure that all known available restricted grants for tuition and fees are used prior to billing the tuition incentive program for any portion of a student's tuition and fees.

(10) The department shall ensure that the tuition incentive program is well publicized and that eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

(11) Any unexpended and unencumbered funds remaining on September 30, ~~2019~~ **2020** from the amounts appropriated in section 236 for the tuition incentive program for fiscal year ~~2018-2019~~ **2019-2020** do not lapse on September 30, ~~2019,~~ **2020,** but continue to be available for expenditure for tuition incentive program funds ~~provided in the 2019-2020 fiscal year~~ under a work project account. ~~The use of these unexpended fiscal year 2018-2019 funds terminates at the end of the 2019-2020 fiscal year.~~

(12) The department of treasury shall collaborate with the center to use the P-20 longitudinal data system to report the following information for each qualified postsecondary institution:

(a) The number of phase I students in the most recently completed academic year who in any academic year received a tuition incentive program award and who successfully completed a degree or certificate program. Cohort graduation rates for phase I students shall be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(b) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and who successfully completed a degree or certificate program. Cohort graduation rates for students who received Pell grants shall be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(13) If a qualified postsecondary institution does not report the data necessary to comply with subsection (12) to the P-20 longitudinal data system, the institution shall report, in a form and manner satisfactory to the department of treasury and the center, all of the information needed to comply with subsection (12) by December 1 ~~, 2019.~~**2020.**

(14) Beginning in fiscal year ~~2019-2020,~~ **2020-2021,** if a qualified postsecondary institution does not report the data necessary to complete the reporting in subsection (12) to the P-20 longitudinal data system by October 15 for the prior academic year, the department of treasury shall not award phase I tuition incentive program funding to otherwise eligible students enrolled in that institution until the data are submitted.

Sec. 263. (1) Included in the appropriation in section 236 for fiscal year ~~2018-2019~~ **2019-2020** for MSU AgBioResearch is $2,982,900.00 and included in the appropriation in section 236 for MSU Extension is $2,645,200.00 for Project GREEEN. Project GREEEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEEN" is an acronym for Generating Research and Extension to Meet Environmental and Economic Needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop Project GREEEN and its program priorities.

Sec. 263a. (1) Not later than September 30 of each year, Michigan State University shall submit a report on MSU AgBioResearch and MSU Extension to the house and senate appropriations subcommittees on agriculture and on higher education, the house and senate standing committees on agriculture, the house and senate fiscal agencies, and the state budget director for the preceding academic fiscal year.

(2) The report required under subsection (1) shall include all of the following:

(a) Total funds expended by MSU AgBioResearch and by MSU Extension identified by state, local, private, federal, and university fund sources.

~~(b) The metric goals that were used to evaluate the impacts of programs operated by MSU Extension and MSU AgBioResearch. The following metric goals will be used to evaluate the impacts of those programs:~~

~~(*i*) Increasing the number of agriculture and food-related firms collaborating with and using services of research and extension faculty and staff by 3% per year.~~

~~(*ii*) Increasing the number of individuals utilizing MSU Extension's educational services by 5% per year.~~

~~(*iii*) Increasing external funds generated in support of research and extension, beyond state appropriations, by 10% over the amounts generated in the past 3 state fiscal years.~~

~~(*iv*) Increasing the sector's total economic impact to at least $125,000,000,000.00.~~

~~(*v*) Increasing Michigan's agricultural exports to at least $4,250,000,000.00.~~

~~(*vi*) Improving access by Michigan consumers to healthy foods by 20%.~~

(b) ~~(c)~~ A review of major programs within both MSU AgBioResearch and MSU Extension with specific reference to accomplishments, impacts, and ~~the metrics described in subdivision (b), including a specific accounting of Project GREEEN expenditures and the impact of those expenditures.~~**a specific accounting of Project GREEEN expenditures and the impact of those expenditures. The program review for MSU AgBioResearch and MSU Extension should include the following:**

(*i*) The number of agriculture and food-related firms collaborating with and using services of research and extension faculty and staff.

(*ii*) The number of individuals utilizing MSU Extension's educational services.

(*iii*) External funds generated in support of research and extension.

(*iv*) Efforts to improve access to healthy foods for Michigan consumers.

Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2018-2019~~ **2019-2020** for Michigan State University is $80,000.00 for the Michigan Future Farmers of America Association. This $80,000.00 allocation shall not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

Sec. 265. (1) Payments under section 265a for performance funding for fiscal years ~~2018-2019,~~ 2019-2020, ~~and~~ 2020-2021**, and 2021-2022** shall only be made to a public university that certifies to the state budget director by ~~August 31, 2018~~ **October 1, 2019** that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, ~~2017~~ **2018** for the ~~2017-2018~~ **2018-2019** academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the ~~2018-2019~~ **2019-2020** academic year that is greater than ~~3.8%~~ **4.4%** or ~~$490.00,~~ **$587.00,** whichever is greater. As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all resident undergraduate students at least once during their enrollment at a public university, as described in the higher education institutional data inventory (HEIDI) user manual. A university increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by resident undergraduate students in the ~~2018-2019~~ **2019-2020** academic year to exceed the limit established in this subsection.

(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of students in each undergraduate class, based on an unweighted average of the rates authorized by the university board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated resident undergraduate enrollment during the academic year, as described in the higher education institutional data inventory (HEIDI) user manual.

(2) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 265a for performance funding has satisfied the tuition restraint requirements of this section. The state budget director shall have the sole authority to determine if a public university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection shall also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

(3) Universities that exceed the tuition and fee rate cap described in subsection (1) shall not receive a planning or construction authorization for a state-funded capital outlay project in fiscal ~~year 2019-2020, fiscal year~~ **years** 2020-2021, ~~or fiscal year~~ 2021-2022**, or 2022-2023**.

(4) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a university that adopts an increase in tuition and fee rates for resident undergraduate students that exceeds the rate cap established in subsection (1).

Sec. 265a. (1) Appropriations to public universities in section 236 for fiscal years ~~2018-2019,~~ 2019-2020, ~~and~~ 2020-2021**, and 2021-2022** for performance funding shall be paid only to a public university that complies with section 265 and certifies to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies by ~~August 31, 2018~~ **October 1, 2019** that it complies with all of the following requirements:

(a) The university participates in reverse transfer agreements described in section 286 with at least 3 Michigan community colleges.

(b) The university does not and will not consider whether dual enrollment credits earned by an incoming student were utilized towards his or her high school graduation requirements when making a determination as to whether those credits may be used by the student toward completion of a university degree or certificate program.

(c) The university actively participates in and submits timely updates to the Michigan Transfer Network created as part of the Michigan Association of Collegiate Registrars and Admissions Officers transfer agreement.

(2) Any performance funding amounts under section 236 that are not paid to a public university because it did not comply with 1 or more requirements under subsection (1) are unappropriated and reappropriated for performance funding to those public universities that meet the requirements under subsection (1), distributed in proportion to their performance funding appropriation amounts under section 236.

(3) The state budget director shall report to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies by ~~September 30, 2018,~~ **October 15, 2019,** regarding any performance funding amounts that are not paid to a public university because it did not comply with 1 or more requirements under subsection (1) and any reappropriation of funds under subsection (2).

(4) Performance funding amounts described in section 236 are distributed based on the following formula:

(a) Proportional to each university's share of total operations funding appropriated in fiscal year 2010-2011, 50%.

(b) Based on weighted undergraduate completions in critical skills areas, 11.1%.

(c) Based on research and development expenditures, for universities classified in Carnegie classifications as doctoral universities: moderate research activity, doctoral universities: higher research activity, or doctoral universities: highest research activity only, 5.6%.

(d) Based on 6-year graduation rate, total degree completions, and institutional support as a percentage of core expenditures, and the percentage of students receiving Pell grants, scored against national Carnegie classification peers and weighted by total undergraduate fiscal year equated students, 33.3%.

(5) For purposes of determining the score of a university under subsection (4)(d), each university is assigned 1 of the following scores:

(a) A university classified as in the top 20%, a score of 3.

(b) A university classified as above national median, a score of 2.

(c) A university classified as improving, a score of 2. It is the intent of the legislature that, beginning in the ~~2019-2020~~ **2020-2021** state fiscal year, a university classified as improving is assigned a score of 1.

(d) A university that is not included in subdivision (a), (b), or (c), a score of 0.

(6) As used in this section, "Carnegie classification" means the basic classification of the university according to the most recent version of the Carnegie classification of institutions of higher education, published by the Carnegie Foundation for the Advancement of Teaching.

(7) It is the intent of the legislature to allocate more funding based on **an updated set of** performance metrics in future years. **Updated metrics will be based on the outcome of joint hearings between the house and senate appropriations subcommittees on higher education and community colleges intended to be held in the fall of 2019.**

Sec. 265b. (1) Appropriations to public universities in section 236 for the fiscal year ending September 30, ~~2019~~ **2020** for operations funding shall be reduced by 10% pursuant to the procedures described in subdivision (a) for a public university that fails to submit certification to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies by ~~August 31, 2018~~ **October 1, 2019** that the university complies with sections 274c and 274d and that it complies with all of the requirements described in subdivisions (b) to (i), as follows:

(a) If a university fails to submit certification, the state budget director shall withhold 10% of that university's annual operations funding until the university submits certification. If a university fails to submit certification by the end of the fiscal year, the 10% of its annual operations funding that is withheld shall lapse to the general fund.

(b) For title IX investigations of alleged sexual misconduct, the university prohibits the use of medical experts that have an actual or apparent conflict of interest.

(c) For title IX investigations of alleged sexual misconduct, the university prohibits the issuance of divergent reports to complainants, respondents, and administration and instead requires that identical reports be issued to them.

(d) Consistent with the university's obligations under 20 USC 1092(f), the university notifies each individual who reports having experienced sexual assault by a student, faculty member, or staff member of the university that the individual has the option to report the matter to law enforcement, to the university, to both, or to neither, as the individual may choose.

(e) The university provides both of the following:

(*i*) For all freshmen and incoming transfer students enrolled, an in-person sexual misconduct prevention presentation or course, which must include contact information for the title IX office of the university.

(*ii*) For all students not considered freshmen or incoming transfer students, an online or electronic sexual misconduct prevention presentation or course.

(f) The university prohibits seeking compensation from the recipient of any medical procedure, treatment, or care provided by a medical professional who has been convicted of a felony arising out of the medical procedure, treatment, or care.

(g) The university ~~has or plans to have~~ **had** a third party review its title IX compliance office and related policies and procedures by the end of the 2018-2019 academic year. A copy of the third-party review shall be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies. After the third-party review has been conducted for the 2018-2019 academic year, the university shall have a third-party review once every three years and a copy of the third-party review shall be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies.

(h) The university requires that the governing board and the president or chancellor of the university receive not less than quarterly reports from their title IX coordinator or title IX office. The report shall contain aggregated data of the number of sexual misconduct reports that the office received for the academic year, the types of reports received, including reports received against employees, and a summary of the general outcomes of the reports and investigations. A member of the governing board may request to review a title IX investigation report involving a complaint against an employee, and the university shall provide the report in a manner it considers appropriate. The university shall protect the complainant's anonymity, and the report shall not contain specific identifying information.

(i) If allegations against an employee are made in more than 1 title IX complaint that resulted in the university finding that no misconduct occurred, the university requires that the title IX officer promptly notify the president or chancellor and a member of the university's governing board in writing and take all appropriate steps to ensure that the matter is being investigated thoroughly, including hiring an outside investigator for future cases involving that employee. A third-party title IX investigation under this subdivision does not prohibit the university from simultaneously conducting its own title IX investigation through its own title IX coordinator.

(2) Each public university that receives an appropriation in section 236 shall also certify that its president or chancellor and a member of its governing board has reviewed all title IX reports involving the alleged sexual misconduct of an employee of the university, and shall send the certification to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director by ~~August 31, 2018.~~**October 1, 2019.**

(3) For purposes of this section, "sexual misconduct" includes, but is not limited to, any of the following:

(a) Intimate partner violence.

(b) Nonconsensual sexual conduct.

(c) Sexual assault.

(d) Sexual exploitation.

(e) Sexual harassment.

(f) Stalking.

Sec. 265c. By February 1, ~~2019,~~ **2020 and February 1 of every even-numbered year thereafter,** the Michigan Community College Association, the Michigan Association of State Universities, and the Michigan Independent Colleges and Universities, on behalf of their member colleges and universities, shall submit to the senate and house appropriations subcommittees on higher education, the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, and the state budget director a comprehensive report detailing the number of academic program partnerships between public community colleges, public universities, and private colleges and universities, including, but not limited to, the following information:

(a) The names of the baccalaureate degree programs of study offered by public and private universities on community college campuses.

(b) The names of the articulation agreements for baccalaureate degree programs of study between public community colleges, public universities, and private colleges and universities.

(c) The number of students enrolled and number of degrees awarded through articulation agreements, and the number of courses offered, number of students enrolled, and number of degrees awarded through on-campus programs named in subdivision (a) from July 1, ~~2017~~ **2018** through June 30, ~~2018.~~**2019.**

Sec. 265d. ~~The legislature encourages each~~ **Each** public university that receives an appropriation in section 236 **is encouraged** to enter into a memorandum of understanding with at least 1 local law enforcement agency with jurisdiction on or around campus for the communication and coordination of responses to incidents of sexual assault.

Sec. 267. All public universities shall submit the amount of tuition and fees actually charged to a full-time resident undergraduate student for academic year ~~2018-2019~~ **2019-2020** as part of their higher education institutional data inventory (HEIDI) data by **October 1, 2019, and by** August 31 of each year **thereafter**. A public university shall report any revisions for any semester of the reported academic year ~~2018-2019~~ **2019-2020** tuition and fee charges to HEIDI within 15 days of being adopted.

Sec. 268. (1) For the fiscal year ending September 30, ~~2019,~~ **2020,** it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund.

~~(2) Appropriations in section 236(7)(f) for North American Indian tuition waivers shall be paid to universities under section 2a of 1976 PA 174, MCL 390.1252a. Allocations shall be adjusted for amounts included in university operations appropriations. If funds are insufficient to support the entire cost of waivers, amounts shall be prorat~~**ed pr**~~oportionate to each institution's shortfall as a percentage of its fiscal year 2018-2019 state appropriation for operations.~~

(2) ~~(3)~~ By February 15 of each year, the department of civil rights shall annually submit to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each university submitting information under subsection ~~(4),~~ **(3),** all of the following:

(*i*) The number of graduate and undergraduate North American Indian students enrolled each term for the previous academic year.

(*ii*) The number of North American Indian waivers granted each term, including to continuing education students, and the monetary value of the waivers for the previous academic year.

(*iii*) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who withdrew from the university each term during the previous academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.

(*iv*) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who successfully complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for graduate and undergraduate students attending under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.

(3) ~~(4)~~ A public university that receives funds under section 236 shall provide to the department of civil rights any information necessary for preparing the report detailed in subsection ~~(3),~~ **(2),** using guidelines and procedures developed by the department of civil rights.

(4) ~~(5)~~ The department of civil rights may consolidate the report required under this section with the report required under section 223, but a consolidated report must separately identify data for universities and data for community colleges.

Sec. 269. For fiscal year ~~2018-2019,~~ **2019-2020,** from the amount appropriated in section 236 to Central Michigan University for operations, $29,700.00 shall be paid to Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

Sec. 270. For fiscal year ~~2018-2019,~~ **2019-2020,** from the amount appropriated in section 236 to Lake Superior State University for operations, $100,000.00 shall be paid to Bay Mills Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

Sec. 274. It is the intent of the legislature that public and private organizations that conduct human embryonic stem cell derivation subject to section 27 of article I of the state constitution of 1963 will provide information to the director of the department of health and human services by December 1, ~~2018~~ **2019** that includes all of the following:

(a) Documentation that the organization conducting human embryonic stem cell derivation is conducting its activities in compliance with the requirements of section 27 of article I of the state constitution of 1963 and all relevant National Institutes of Health guidelines pertaining to embryonic stem cell derivation.

(b) A list of all human embryonic stem cell lines submitted by the organization to the National Institutes of Health for inclusion in the Human Embryonic Stem Cell Registry before and during fiscal year ~~2017-2018,~~ **2018-2019,** and the status of each submission as approved, pending approval, or review completed but not yet accepted.

(c) Number of human embryonic stem cell lines derived and not submitted for inclusion in the Human Embryonic Stem Cell Registry, before and during fiscal year ~~2017-2018.~~**2018-2019.**

Sec. 274c. By February 1 ~~, 2019,~~ **of each year,** each university receiving funds under section 236 shall report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the university's title IX coordinator, campus law enforcement personnel, campus public safety personnel, and any other campus personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for campus personnel.

Sec. 275d. The legislature urges each university that receives an appropriation in section 236 to not take disciplinary action against an employee for communicating with a member of the legislature or a legislator's staff.

Sec. 276. (1) Included in the appropriation for fiscal year ~~2018-2019~~ **2019-2020** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty program that is intended to increase the pool of academically or economically disadvantaged candidates pursuing faculty teaching careers in postsecondary education. Preference may not be given to applicants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage applications from applicants who would otherwise not adequately be represented in the graduate student and faculty populations. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the future faculty program.

(2) The program shall be administered by each public university in a manner prescribed by the workforce development agency. The workforce development agency shall use a good faith effort standard to evaluate whether a fellowship is in default.

Sec. 277. (1) Included in the appropriation for fiscal year ~~2018-2019~~ **2019-2020** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university shall include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds shall not be expended to cover indirect costs. Not more than 20% of the university match shall be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the college day program.

(3) The program described in this section shall be administered by each public university in a manner prescribed by the workforce development agency.

Sec. 278. (1) Included in section 236 for fiscal year ~~2018-2019~~ **2019-2020** is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) An award made under this program to any 1 institution shall not be greater than $150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.

(3) The program described in this section shall be administered by the workforce development agency.

Sec. 279. (1) Included in section 236 for fiscal year ~~2018-2019~~ **2019-2020** is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership program between 4-year public and independent colleges and universities and public community colleges, which is intended to increase the number of academically or economically disadvantaged students who transfer from community colleges into baccalaureate programs. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the transfer student population.

(2) The grants shall be made under the program described in this section to Michigan public and independent colleges and universities. An award to any 1 institution shall not be greater than $150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.

(3) The program described in this section shall be administered by the workforce development agency.

Sec. 280. (1) Included in the appropriation for fiscal year ~~2018-2019~~ **2019-2020** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks visiting professors program which is intended to increase the number of instructors in the classroom to provide role models for academically or economically disadvantaged students. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) The program described in this section shall be administered by the workforce development agency.

Sec. 281. (1) Included in the appropriation for fiscal year ~~2018-2019~~ **2019-2020** in section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.

(2) The program described in this section shall be administered by each state-approved teacher education institution in a manner prescribed by the workforce development agency.

(3) Approved teacher education institutions may and are encouraged to use student support services funding in coordination with the Morris Hood, Jr. funding to achieve the goals of the program described in this section.

Sec. 282. Each institution receiving funds for fiscal year ~~2018-2019~~ **2019-2020** under section 278, 279, or 281 shall provide to the workforce development agency by April 15, ~~2019~~ **2020** the unobligated and unexpended funds as of March 31, ~~2019~~ **2020** and a plan to expend the remaining funds by the end of the fiscal year. Notwithstanding the award limitations in sections 278 and 279, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 278, 279, or 281.

Sec. 283. (1) Using the data provided to the center as required by section 244 of this act, the center shall use the P-20 longitudinal data system to inform interested Michigan high schools and the public regarding the aggregate academic status of its students. The center shall work with the universities and the Michigan Association of State Universities and in cooperation with the Michigan Association of Secondary School Principals.

(2) Michigan high schools shall systematically inform the public universities about the use of information received under this section in a manner prescribed by the Michigan Association of Secondary School Principals in cooperation with the Michigan Association of State Universities.

Sec. 289. (1) ~~Not less than~~ **At least once** every 4 years, the auditor general shall audit higher education institutional data inventory (HEIDI) data submitted by all public universities under section 241 and may perform audits of selected public universities if determined necessary. The audits shall be based upon the definitions, requirements, and uniform reporting categories established by the state budget director in consultation with the HEIDI advisory committee. The auditor general shall submit a report of findings to the house and senate appropriations committees and the state budget director no later than July 1 of each year an audit takes place.

(2) Student credit hours reports shall not include the following:

(a) Student credit hours generated through instructional activity by faculty or staff in classrooms located outside Michigan, with the exception of instructional activity related to study-abroad programs or field programs.

~~(b) Student credit hours generated through distance learning instruction for students not eligible for the public university's in-state main campus resident tuition rate. However, in instances where a student is enrolled in distance education and non-distance education credit hours in a given term and the student's non-distance education enrollment is at a campus or site located within Michigan, student credit hours per the student's eligibility for in-state or out-of-state tuition rates may be reported.~~

(b) ~~(c)~~ Student credit hours generated through credit by examination.

~~(d) Student credit hours generated through inmate prison programs regardless of teaching location.~~

(c) ~~(e)~~ Student credit hours generated in new degree programs created on or after January 1, 1975 and before January 1, 2013, that were not specifically authorized for funding by the legislature, except spin-off programs converted from existing core programs, and student credit hours generated in any new degree programs created after January 1, 2013, that are specifically excluded from reporting by the legislature under this section.

~~(3) "Distance learning instruction" as used in subsection (2) means instruction that occurs solely in other than a traditional classroom setting where the student and instructor are in the same physical location and for which a student receives course credits and is charged tuition and fees. Examples of distance learning instruction are instruction delivered solely through the internet, cable television, teleconference, or ma~~**il.**

Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2019-2020 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at $1,557,518,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is estimated at $0.00.

Enacting section 2. This amendatory act takes effect October 1, 2019.

Third: That the House and Senate agree to the title of the bill to read as follows:

A bill to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts." by amending sections 236, 236a, 236b, 236c, 237, 241, 245, 245a, 251, 252, 256, 263, 263a, 264, 265, 265a, 265b, 265c, 265d, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, 283, and 289 (MCL 388.1836, 388.1836a, 388.1836b, 388.1836c, 388.1837, 388.1841, 388.1845, 388.1845a, 388.1851, 388.1852, 388.1856, 388.1863, 388.1863a, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1865c, 388.1865d, 388.1867, 388.1868, 388.1869, 388.1870, 388.1874, 388.1874c, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, 388.1883, and 388.1889), sections 236, 236a, 236b, 236c, 241, 245, 251, 252, 256, 263, 264, 265a, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, and 289 as amended and sections 245a, 265b, 265c, and 265d as added by 2018 PA 265, section 237 as amended by 2012 PA 201, sections 263a and 283 as amended by 2017 PA 108, and section 265 as amended by 2018 PA 586, and by adding section 275d.

Scott VanSingel
Ann M. Bollin
Conferees for the House

Kim LaSata
Jim Stamas
Conferees for the Senate

First Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 4241, entitled

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Recommends:

First: That the Senate recede from the Substitute of the Senate as passed by the Senate.

Second: That the House and Senate agree to the Substitute of the House as passed by the House, amended to read as follows:

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2020, from the following funds:

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	2,334.1	
GROSS APPROPRIATION		$ 439,717,700

		For Fiscal Year Ending Sept. 30, 2020
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		232,200
ADJUSTED GROSS APPROPRIATION	$	439,485,500
Federal revenues:		
Total federal revenues		75,501,200
Special revenue funds:		
Total local revenues		0
Total private revenues		7,431,600
Total other state restricted revenues		309,567,700
State general fund/general purpose	$	46,985,000
FUND SOURCE SUMMARY		
Full-time equated unclassified positions ... 6.0		
Full-time equated classified positions ... 2,334.1		
GROSS APPROPRIATION	$	439,717,700
Interdepartmental grant revenues:		
IDG, land acquisition services-to-work orders		232,200
Total interdepartmental grants and intradepartmental transfers		232,200
ADJUSTED GROSS APPROPRIATION	$	439,485,500
Federal revenues:		
Federal funds		72,434,800
Federal national forest timber fund		902,600
Michigan state waterways fund, federal		1,843,800
State park improvement, federal		320,000
Total federal revenues		75,501,200
Special revenue funds:		
Private funds		7,431,600
Total private revenues		7,431,600
Cervidae licensing and inspection fees		139,400
Commercial forest fund		27,200
Deer habitat reserve		2,163,000
Fire equipment fund		668,700
Fisheries settlement		629,200
Forest development fund		48,189,200
Forest land user charges		262,700
Forest recreation account		3,175,800
Game and fish protection fund		76,158,500
Invasive species fund		100
Land exchange facilitation fund		5,090,400
Local public recreation facilities fund		2,204,000
Mackinac Island State Park fund		1,624,400
Mackinac Island State Park operation fund		129,100
MacMullan Conference Center account		1,178,600
Marine safety fund		3,770,200
Michigan heritage publications fund		22,300
Michigan historical center operations fund		809,600
Michigan natural resources trust fund		1,345,700
Michigan state parks endowment fund		26,961,400
Michigan state waterways fund		30,351,300
Nongame wildlife fund		490,800
Off-road vehicle safety education fund		234,600
Off-road vehicle trail improvement fund		8,419,400
Park improvement fund		66,998,400
Park improvement fund - Belle Isle subaccount		1,000,200
Permanent snowmobile trail easement fund		700,000
Public use and replacement deed fees		28,600
Pure Michigan trails fund		200

		For Fiscal Year Ending Sept. 30, 2020
Recreation improvement account		1,545,500
Recreation passport fees		9,873,500
Snowmobile registration fee revenue		1,200,800
Snowmobile trail improvement fund		9,966,300
Sportsmen against hunger fund		77,500
Turkey permit fees		1,130,600
Waterfowl fees		120,800
Wildlife management public education fund		1,600,000
Wildlife resource protection fund		1,179,300
Youth hunting and fishing education and outreach fund		100,400
Total other state restricted revenues		309,567,700
State general fund/general purpose	$	46,985,000
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions ... 6.0		
Full-time equated classified positions ... 121.1		
Unclassified salaries—6.0 FTE positions	$	824,200
Accounting service center		1,528,000
Executive direction—11.6 FTE positions		2,223,100
Finance and operations—105.5 FTE positions		17,014,000
Gifts and pass-through transactions		5,000,000
Legal services—4.0 FTE positions		657,500
Natural resources commission		77,100
Property management		4,032,300
GROSS APPROPRIATION	$	31,356,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG, land acquisition services-to-work orders		232,200
Federal revenues:		
Federal funds		353,500
Special revenue funds:		
Private funds		5,000,000
Deer habitat reserve		160,500
Forest development fund		2,927,200
Forest land user charges		7,700
Forest recreation account		54,100
Game and fish protection fund		7,317,800
Land exchange facilitation fund		5,012,300
Local public recreation facilities fund		204,000
Marine safety fund		813,300
Michigan natural resources trust fund		1,323,400
Michigan state parks endowment fund		1,341,800
Michigan state waterways fund		799,700
Nongame wildlife fund		13,800
Off-road vehicle safety education fund		700
Off-road vehicle trail improvement fund		208,700
Park improvement fund		1,827,600
Public use and replacement deed fees		28,600
Recreation improvement account		84,900
Snowmobile registration fee revenue		50,100
Snowmobile trail improvement fund		127,400
Sportsmen against hunger fund		500
Turkey permit fees		79,800
Waterfowl fees		3,400
Wildlife resource protection fund		43,200
State general fund/general purpose	$	3,340,000
Sec. 103. DEPARTMENT INITIATIVES		
Full-time equated classified positions ... 13.0		
Great Lakes restoration initiative	$	2,922,000

		For Fiscal Year Ending Sept. 30, 2020
Invasive species prevention and control—13.0 FTE positions		5,056,900
GROSS APPROPRIATION	$	7,978,900
Appropriated from:		
Federal revenues:		
Federal funds		2,922,000
State general fund/general purpose	$	5,056,900
Sec. 104. COMMUNICATION AND CUSTOMER SERVICES		
Full-time equated classified positions 137.3		
Marketing and outreach—80.8 FTE positions	$	14,166,300
Michigan historical center—56.5 FTE positions		6,975,200
Michigan wildlife council campaign management		80,000
Michigan wildlife council media		936,000
Michigan wildlife council messaging and implementation		448,000
Michigan wildlife council research		136,000
GROSS APPROPRIATION	$	22,741,500
Appropriated from:		
Federal revenues:		
Federal funds		2,374,800
State park improvement, federal		320,000
Special revenue funds:		
Private funds		396,200
Forest development fund		136,000
Forest recreation account		16,900
Game and fish protection fund		8,466,800
Land exchange facilitation fund		47,500
Marine safety fund		36,100
Michigan heritage publications fund		22,300
Michigan historical center operations fund		809,600
Michigan state parks endowment fund		91,800
Michigan state waterways fund		152,700
Nongame wildlife fund		10,900
Off-road vehicle trail improvement fund		38,500
Park improvement fund		2,904,200
Recreation passport fees		53,200
Snowmobile registration fee revenue		19,500
Snowmobile trail improvement fund		45,600
Sportsmen against hunger fund		76,400
Wildlife management public education fund		1,600,000
Youth hunting and fishing education and outreach fund		98,400
State general fund/general purpose	$	5,024,100
Sec. 105. WILDLIFE DIVISION		
Full-time equated classified positions 230.5		
Natural resources heritage—9.0 FTE positions	$	639,500
Wildlife management—221.5 FTE positions		45,581,200
GROSS APPROPRIATION	$	46,220,700
Appropriated from:		
Federal revenues:		
Federal funds		25,581,100
Special revenue funds:		
Private funds		315,700
Cervidae licensing and inspection fees		86,000
Deer habitat reserve		1,740,900
Forest development fund		277,600
Game and fish protection fund		12,186,800
Nongame wildlife fund		435,600
Turkey permit fees		1,017,000

		For Fiscal Year Ending Sept. 30, 2020
Waterfowl fees		114,100
State general fund/general purpose	$	4,465,900
Sec. 106. FISHERIES DIVISION		
Full-time equated classified positions 223.5		
Aquatic resource mitigation—2.0 FTE positions	$	629,300
Fish production—63.0 FTE positions		10,419,400
Fisheries resource management—158.5 FTE positions		21,369,700
GROSS APPROPRIATION	$	32,418,400
Appropriated from:		
Federal revenues:		
Federal funds		11,514,300
Special revenue funds:		
Private funds		136,700
Fisheries settlement		629,200
Game and fish protection fund		19,612,100
Invasive species fund		100
State general fund/general purpose	$	526,000
Sec. 107. LAW ENFORCEMENT		
Full-time equated classified positions 293.0		
General law enforcement—293.0 FTE positions	$	44,784,100
GROSS APPROPRIATION	$	44,784,100
Appropriated from:		
Federal revenues:		
Federal funds		6,648,100
Special revenue funds:		
Cervidae licensing and inspection fees		53,400
Forest development fund		45,400
Forest recreation account		72,800
Game and fish protection fund		20,013,500
Marine safety fund		1,349,900
Michigan state parks endowment fund		71,400
Michigan state waterways fund		21,700
Off-road vehicle safety education fund		156,300
Off-road vehicle trail improvement fund		2,007,800
Park improvement fund		72,800
Snowmobile registration fee revenue		723,400
Wildlife resource protection fund		1,094,000
State general fund/general purpose	$	12,453,600
Sec. 108. PARKS AND RECREATION DIVISION		
Full-time equated classified positions 967.2		
Forest recreation and trails—61.7 FTE positions	$	7,131,100
MacMullan Conference Center—15.0 FTE positions		1,178,600
Recreational boating—174.9 FTE positions		20,471,600
State parks—715.6 FTE positions		75,892,400
State park improvement revenue bonds - debt service		1,197,500
GROSS APPROPRIATION	$	105,871,200
Appropriated from:		
Federal revenues:		
Federal funds		141,400
Michigan state waterways fund, federal		1,643,800
Special revenue funds:		
Private funds		428,100
Forest recreation account		2,990,000
MacMullan Conference Center account		1,178,600
Michigan state parks endowment fund		11,347,700
Michigan state waterways fund		18,830,800
Off-road vehicle safety education fund		7,200

		For Fiscal Year Ending Sept. 30, 2020
Off-road vehicle trail improvement fund		1,485,800
Park improvement fund		60,807,800
Park improvement fund - Belle Isle subaccount		1,000,200
Pure Michigan trails fund		100
Recreation improvement account		504,600
Recreation passport fees		320,300
Snowmobile registration fee revenue		16,100
Snowmobile trail improvement fund		1,628,500
State general fund/general purpose	$	3,540,200
Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION		
Full-time equated classified positions 17.0		
Historical facilities system—13.0 FTE positions	$	1,827,100
Mackinac Island State Park operations—4.0 FTE positions		335,000
GROSS APPROPRIATION	$	2,162,100
Appropriated from:		
Special revenue funds:		
Mackinac Island State Park fund		1,624,400
Mackinac Island State Park operation fund		129,100
State general fund/general purpose	$	408,600
Sec. 110. FOREST RESOURCES DIVISION		
Full-time equated classified positions 331.5		
Adopt-a-forest program	$	25,000
Cooperative resource programs—11.0 FTE positions		1,580,300
Forest fire equipment		931,500
Forest management and timber market development—178.0 FTE positions		35,061,700
Forest management initiatives—8.5 FTE positions		881,400
IDG from forest development fund to department of agriculture and rural development		997,300
Minerals management—20.0 FTE positions		2,915,600
Wildfire protection—114.0 FTE positions		14,320,200
GROSS APPROPRIATION	$	56,713,000
Appropriated from:		
Federal revenues:		
Federal funds		3,405,800
Federal national forest timber fund		902,600
Special revenue funds:		
Private funds		1,054,900
Commercial forest fund		25,100
Fire equipment fund		668,700
Forest development fund		39,008,900
Forest land user charges		231,100
Game and fish protection fund		1,996,600
Michigan state parks endowment fund		2,741,300
Michigan state waterways fund		52,700
State general fund/general purpose	$	6,625,300
Sec. 111. GRANTS		
Dam management grant program	$	350,000
Deer habitat improvement partnership initiative		300,000
Federal - clean vessel act grants		400,000
Federal - forest stewardship grants		2,000,000
Federal - land and water conservation fund payments		6,000,000
Federal - rural community fire protection		400,000
Federal - urban forestry grants		900,000
Fisheries habitat improvement grants		1,250,000
Grants to communities - federal oil, gas, and timber payments		3,450,000
Grants to counties - marine safety		3,074,700
National recreational trails		3,901,400

		For Fiscal Year Ending Sept. 30, 2020
Nonmotorized trail development and maintenance grants		200,000
Off-road vehicle safety training grants		60,000
Off-road vehicle trail improvement grants		4,656,800
Recreation improvement fund grants		907,100
Recreation passport local grants		2,000,000
Snowmobile law enforcement grants		380,100
Snowmobile local grants program		8,090,400
Trail easements		700,000
Wildlife habitat improvement grants		1,500,000
GROSS APPROPRIATION	$	40,520,500
Appropriated from:		
Federal revenues:		
Federal funds		18,618,800
Special revenue funds:		
Private funds		100,000
Deer habitat reserve		200,000
Game and fish protection fund		2,750,000
Local public recreation facilities fund		2,000,000
Marine safety fund		1,407,300
Off-road vehicle safety education fund		60,000
Off-road vehicle trail improvement fund		4,656,800
Permanent snowmobile trail easement fund		700,000
Recreation improvement account		907,100
Snowmobile registration fee revenue		380,100
Snowmobile trail improvement fund		8,090,400
State general fund/general purpose	$	650,000
Sec. 112. INFORMATION TECHNOLOGY		
Information technology services and projects	$	10,526,100
GROSS APPROPRIATION	$	10,526,100
Appropriated from:		
Special revenue funds:		
Commercial forest fund		2,100
Deer habitat reserve		61,600
Forest development fund		1,644,100
Forest land user charges		23,900
Forest recreation account		42,000
Game and fish protection fund		3,814,900
Land exchange facilitation fund		30,600
Marine safety fund		163,600
Michigan natural resources trust fund		22,300
Michigan state parks endowment fund		1,367,400
Michigan state waterways fund		493,700
Nongame wildlife fund		30,500
Off-road vehicle safety education fund		10,400
Off-road vehicle trail improvement fund		21,800
Park improvement fund		1,386,000
Pure Michigan trails fund		100
Recreation improvement account		48,900
Snowmobile registration fee revenue		11,600
Snowmobile trail improvement fund		74,400
Sportsmen against hunger fund		600
Turkey permit fees		33,800
Waterfowl fees		3,300
Wildlife resource protection fund		42,100
Youth hunting and fishing education and outreach		2,000
State general fund/general purpose	$	1,194,400

		For Fiscal Year Ending Sept. 30, 2020
Sec. 113. CAPITAL OUTLAY		
(1) RECREATIONAL LANDS AND INFRASTRUCTURE		
Forest development infrastructure	$	4,150,000
State parks repair and maintenance		21,000,000
GROSS APPROPRIATION	$	25,150,000
Appropriated from:		
Special revenue funds:		
Forest development fund		4,150,000
Michigan state parks endowment fund		10,000,000
Recreation passport fees		9,500,000
State general fund/general purpose	$	1,500,000
(2) WATERWAYS BOATING PROGRAM		
Local boating infrastructure maintenance and improvements	$	3,000,000
State boating infrastructure maintenance		8,075,000
GROSS APPROPRIATION	$	11,075,000
Appropriated from:		
Federal revenues:		
Federal funds		875,000
Michigan state waterways fund, federal		200,000
Special revenue funds:		
Michigan state waterways fund		10,000,000
State general fund/general purpose	$	0
Sec. 114. ONE-TIME BASIS ONLY APPROPRIATIONS		
Wildlife and fisheries health study	$	200,000
Wildlife management		2,000,000
GROSS APPROPRIATION	$	2,200,000
Appropriated from:		
State general fund/general purpose	$	2,200,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2019-2020

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year ending September 30, 2020 is $356,552,700.00 and state spending from state resources to be paid to local units of government for the fiscal year ending September 30, 2020 is $8,122,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

Dam management grants	$	175,000
Fisheries habitat improvement grants		125,000
Grants to counties – marine safety		1,407,300
Nonmotorized trail development and maintenance grants		100,000
Off-road vehicle safety training grants		60,000
Off-road vehicle trail improvement grants		634,100
Recreation improvement fund grants		90,700
Recreation passport local grants		2,000,000
Snowmobile law enforcement grants		380,100
Wildlife habitat improvement grants		150,000
Local boating infrastructure maintenance and improvements		3,000,000
TOTAL	$	8,122,200

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) “Department” means the department of natural resources.

(b) “Director” means the director of the department.

(c) “FTE” means full-time equated.

(d) “IDG” means interdepartmental grant.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in this part and part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 210. In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

(a) Fiscal year-to-date expenditures by category.

(b) Fiscal year-to-date expenditures by appropriation unit.

(c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.

(d) The number of active department employees by job classification.

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $45,804,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $22,266,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $23,537,900.00.

Sec. 215. Appropriations of state restricted game and fish protection funds have been made in the following amounts to the following departments and agencies:

Legislative auditor general	$	32,000
Attorney general		640,700
Department of technology, management, and budget		491,400
Department of treasury		3,010,500

Sec. 216. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, $6,000,000.00 for the fiscal year ending September 30, 2020.

Sec. 220. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 221. The department may contract with or provide grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations in part 1. As used in this section, contracts and grants include, but are not limited to, contracts and grants for research, wildlife and fisheries management, forest management, invasive species monitoring and control, and natural resource-related programs.

DEPARTMENT INITIATIVES

Sec. 251. From the amounts appropriated in part 1 for invasive species prevention and control, the department shall allocate not less than $3,600,000.00 for grants for the prevention, detection, eradication, and control of invasive species.

DEPARTMENT SUPPORT SERVICES

Sec. 302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2020, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land acquisition service charges provided for in part 1.

Sec. 303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2165. The fees shall be set by the director at a rate that allows the department to recover its costs for providing these services.

COMMUNICATION AND CUSTOMER SERVICES

Sec. 408. By October 21, the department shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the natural resources commission in the fiscal year ending September 30, 2019. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

WILDLIFE DIVISION

Sec. 504. From the funds appropriated in part 1, the department shall provide a report to the legislature on the use of registration fees collected from privately owned cervid operations. Appropriations in part 1 from cervidae licensing and inspection fees shall be used only for work directly related to the regulation of privately owned cervid operations in this state.

Sec. 506. The United States Department of Agriculture, Wildlife Services, is encouraged to harvest all deer during targeted removal required under the enhanced wildlife biosecurity program.

FISHERIES DIVISION

Sec. 601. (1) From the appropriation in part 1 for aquatic resource mitigation, not more than $758,000.00 shall be allocated for grants to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat stabilization and soil erosion control.

(2) The fisheries division in the department shall develop priority and cost estimates for all projects recommended for grants under subsection (1).

Sec. 602. As a condition of expenditure of fisheries management appropriations under part 1, the department of natural resources shall not impede the certification process for water control structures on Michigan waterways. The department of natural resources shall fund from funds appropriated in part 1 all non-water-quality studies or requirements that the department requests of either of the following:

(a) The department of environmental quality as a condition for issuance of a certification under section 401 of the federal water pollution control act, 33 USC 1341.

(b) The Federal Energy Regulatory Commission as a condition of licensing under the federal power act, 16 USC 791a to 825r.

Sec. 603. The department shall produce an annual report detailing the performance of its fish hatcheries by March 31.

FOREST RESOURCES DIVISION

Sec. 802. From the funds appropriated in part 1, the department shall provide quarterly reports on the number of acres of state forestland marked or treated for timber harvest to the senate and house appropriations subcommittees on natural resources and the standing committees of the senate and house of representatives with primary responsibility for natural resources issues. The department shall complete and deliver these reports by 45 days after the end of the fiscal quarter.

Sec. 803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources to provide response to wildfires as required by a compact with the federal government. If additional expenditure authorization is required, the department shall notify the state budget office that expenditure under this section is required. The department shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies by November 1 of the expenditures under this section during the fiscal year ending September 30, 2019.

Sec. 807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to $800,000.00 to cover department costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(3) If Federal Emergency Management Agency (FEMA) reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

(4) Unexpended and unencumbered funds remaining in the disaster and emergency contingency fund at the close of the fiscal year shall not lapse to the general fund and shall be carried forward and be available for expenditures in subsequent fiscal years.

LAW ENFORCEMENT

Sec. 901. The appropriation in part 1 for snowmobile law enforcement grants shall be used by the department to provide grants to county law enforcement agencies to enforce part 821 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82101 to 324.82161, including rules promulgated under that part and ordinances enacted pursuant to that part. The department shall consider the number of enforcement hours and the number of miles of snowmobile trails in each county in allocating these grants. Any funds not distributed to counties revert back to the snowmobile registration fee subaccount created under section 82111 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82111. Counties shall provide semiannual reports to the department on the use of grant money received under this section.

Sec. 902. The department shall provide a report on the marine safety grant program to the senate and house appropriations subcommittees on natural resources and the senate and house fiscal agencies by December 1. The report shall include the following information for the preceding year: the total amount of revenue received for watercraft registrations, the amount deposited into the marine safety fund, and the expenditures made from the marine safety fund, including the amounts expended for department administration, other state agencies, the law enforcement division, and grants to counties. The report shall also include the distribution methodology used by the department to distribute the marine safety grants and a list of the grants and the amounts awarded by county.

GRANTS

Sec. 1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By November 30, the department shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the fiscal year ending September 30, 2019.

Sec. 1002. The department shall work with the waterways commission to develop a plan to incorporate grants for state-designated water trails as part of the current waterways account grant application program. Grant criteria shall be based in part on the qualifications and criteria already established in the department's water trail designation process.

CAPITAL OUTLAY

Sec. 1103. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 1202. From the funds appropriated in part 1 for finance and operations, $35,000.00 is designated to reimburse local units of government for qualifying costs related to lake level assessments. The department may reimburse these costs without being compelled to do so by a court of law.

Sec. 1203. The unexpended funds appropriated in part 1 for wildlife management (one-time) are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund wildlife disease research.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is $2,000,000.00.

(d) The tentative completion date is September 30, 2022.

Sec. 1206. (1) From the funds appropriated in part 1 for wildlife and fisheries health study, the department shall investigate the effect of PFAS contamination on Michigan's wildlife and fisheries populations.

(2) As used in this section, "PFAS" means perfluoroalkyl and polyfluoroalkyl substances.

Third: That the House and Senate agree to the title of the bill to read as follows:

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Sue Allor
Annette Glenn
Conferees for the House

Jon Bumstead
Jim Stamas
Conferees for the Senate

First Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 4242, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 4, 6, 8b, 11, 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 24, 24a, 25e, 25f, 26a, 26b, 26c, 31a, 31d, 31f, 31j, 31n, 32d, 32p, 35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 62, 64d, 65, 67, 74, 81, 94, 94a, 95a, 95b, 98, 99h, 99s, 99t, 99u, 99w, 99x, 101, 102d, 104, 104b, 104c, 104d, 107, 147, 147a, 147c, 147e, 152a, and 152b (MCL 388.1604, 388.1606, 388.1608b, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1620, 388.1620d, 388.1620f, 388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622m, 388.1624, 388.1624a, 388.1625e, 388.1625f, 388.1626a, 388.1626b, 388.1626c, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1664d, 388.1665, 388.1667, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695a, 388.1695b, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1701, 388.1702d, 388.1704, 388.1704b, 388.1704c, 388.1704d, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, and 388.1752b), sections 4 and 8b as amended by 2017 PA 108, sections 6, 11, 31a, 31j, 32d, 35a, 35b, 39a, 99h, and 99u as amended and sections 31n, 99w, and 99x as added by 2018 PA 586, sections 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 24, 24a, 25e, 25f, 26a, 26b, 26c, 31d, 31f, 32p, 39, 41, 51a, 51c, 51d, 53a, 54, 54b, 56, 61a, 61b, 61c, 62, 64d, 65, 67, 74, 81, 94, 94a, 95b, 98, 99s, 99t, 102d, 104, 104b, 104c, 104d, 107, 147, 147a, 147c, 147e, 152a, and 152b as amended and sections 54d and 61d as added by 2018 PA 265, section 95a as amended by 2015 PA 85, and section 101 as amended by 2019 PA 11, and by adding sections 32e, 35c, 35d, 35e, 54e, 61j, 67a, 67b, 97, 97a, 97b, and 99a; and to repeal acts and parts of acts.

Recommends:

First: That the Senate recede from the Substitute of the Senate as passed by the Senate.

Second: That the House and Senate agree to the Substitute of the House as passed by the House, amended to read as follows:

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 4, 6, 8b, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25e, 25f, 25g, 26a, 26b,

26c, 31a, 31b, 31d, 31f, 31j, 31n, 32d, 32p, 35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 61f, 62, 64d, 65, 67, 74, 74a, 81, 94, 94a, 95a, 95b, 98, 99h, 99s, 99t, 99u, 99v, 99w, 99x, 101, 102d, 104, 104c, 104d, 107, 147, 147a, 147c, 147e, 152a, 152b, 160, 166, 166a, and 166b (MCL 388.1604, 388.1606, 388.1608b, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618, 388.1620, 388.1620d, 388.1620f, 388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625e, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1631a, 388.1631b, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1661f, 388.1662, 388.1664d, 388.1665, 388.1667, 388.1674, 388.1674a, 388.1681, 388.1694, 388.1694a, 388.1695a, 388.1695b, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699v, 388.1699w, 388.1699x, 388.1701, 388.1702d, 388.1704, 388.1704c, 388.1704d, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1752b, 388.1760, 388.1766, 388.1766a, and 388.1766b), sections 4 and 8b as amended and section 160 as added by 2017 PA 108, sections 6, 11, 18, 31a, 31j, 32d, 35a, 35b, 39a, 99h, and 99u as amended and sections 31n, 61f, 74a, 99w, and 99x as added by 2018 PA 586, sections 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 24, 24a, 25e, 25f, 25g, 26a, 26b, 26c, 31b, 31d, 31f, 32p, 39, 41, 51a, 51c, 51d, 53a, 54, 54b, 55, 56, 61a, 61b, 61c, 62, 64d, 65, 67, 74, 81, 94, 94a, 95b, 98, 99s, 99t, 102d, 104, 104c, 104d, 107, 147, 147a, 147c, 147e, 152a, 152b, and 166b as amended and sections 22p, 54d, 61d, and 99v as added by 2018 PA 265, section 95a as amended by 2015 PA 85, section 101 as amended by 2019 PA 11, section 166 as amended by 2016 PA 249, and section 166a as amended by 2004 PA 166, and by adding sections 28, 35c, 35d, 51f, 54e, 67a, 67b, 97, 97a, 99z, and 99bb; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 4. (1) "Elementary pupil" means a pupil in membership in grades K to 8 in a district not maintaining classes above the eighth grade or in grades K to 6 in a district maintaining classes above the eighth grade **or a child enrolled and in regular attendance in a publicly funded prekindergarten setting**. ~~For the purposes of calculating universal service fund (e-rate) discounts, "elementary pupil" includes children enrolled in a preschool program operated by a district in its facilities.~~

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

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

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

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

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

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

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

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

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

(4) "Membership", except as otherwise provided in this article, means for a district, a public school academy, or an intermediate district the sum of the product of .90 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year, plus the product of .10 times the final audited count from the supplemental count day for the immediately preceding school year. A district's, public school academy's, or intermediate district's membership ~~shall be~~ **is** adjusted as provided under section 25e for pupils who enroll after the pupil membership count day in a strict discipline academy operating under sections 1311b to 1311m of the revised school code, MCL 380.1311b to 380.1311m. However, for a district that is a community district, "membership" means the sum of the product of .90 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the community district on the pupil membership count day for the current school year, plus the product of .10 times the sum of the final audited count from the supplemental count day of pupils in grades K to 12 actually enrolled and in regular daily attendance in the community district for the immediately preceding school year**.** ~~plus the final audited count from the supplemental count day of pupils in grades K to 12 actually enrolled and in regular daily attendance in the education achievement system for the immediately preceding school year.~~ All pupil counts used in this subsection are as determined by the department and calculated by adding the number of pupils registered for attendance plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit. The amount of the foundation allowance for a pupil in membership is determined under section 20. In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, a public school academy, or an intermediate district:

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

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

(c) A special education pupil educated by the intermediate district ~~shall be~~ **is** counted in membership in the intermediate district.

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

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

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

(g) A pupil enrolled in a public school academy ~~shall be~~ **is** counted in membership in the public school academy.

(h) For the purposes of this section and section 6a, for a cyber school, as defined in section 551 of the revised school code, MCL 380.551, that is in compliance with section 553a of the revised school code, MCL 380.553a, a pupil's participation in the cyber school's educational program is considered regular daily attendance, and for a district or public school academy, a pupil's participation in a virtual course as defined in section 21f is considered regular daily attendance. For the purposes of this subdivision, for a pupil enrolled in a cyber school and utilizing sequential learning, participation means that term as defined in the pupil accounting manual, section 5-o-d: requirements for counting pupils in membership-subsection 10.

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

(*i*) If operations begin before the pupil membership count day for the fiscal year, membership is the average number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year and on the supplemental count day for the current

school year, as determined by the department and calculated by adding the number of pupils registered for attendance on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

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

(j) If a district is the authorizing body for a public school academy, then, in the first school year in which pupils are counted in membership on the pupil membership count day in the public school academy, the determination of the district's membership ~~shall exclude~~ **excludes** from the district's pupil count for the immediately preceding supplemental count day any pupils who are counted in the public school academy on that first pupil membership count day who were also counted in the district on the immediately preceding supplemental count day.

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

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

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

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

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

(B) Had dropped out of school.

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

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

(m) An individual who has achieved a high school diploma ~~shall not be~~ **is not** counted in membership. An individual who has achieved a high school equivalency certificate ~~shall not be~~ **is not** counted in membership unless the individual is a student with a disability as defined in R 340.1702 of the Michigan Administrative Code. An individual participating in a job training program funded under former section 107a or a jobs program funded under former section 107b, administered by the department of ~~talent and economic development,~~ **labor and economic opportunity,** or participating in any successor of either of those 2 programs, ~~shall not be~~ **is not** counted in membership.

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

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

(*ii*) If the public school academy provides instruction for less than 1/2 of the class hours required under section 101, the district or intermediate district providing the remainder of the hours of instruction ~~shall receive~~ **receives** as its prorated share of the full-time equated membership for each of those pupils an amount equal to 1 times the product of the hours of instruction the district or intermediate district provides divided by the number of hours required under section 101 for full-time equivalency, and the remainder of the full-time membership for each of those pupils ~~shall be~~ **is** allocated to the public school academy.

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

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

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

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

(s) For a district or a public school academy that has pupils enrolled in a grade level that was not offered by the district or public school academy in the immediately preceding school year, the number of pupils enrolled in that grade level to be counted in membership is the average of the number of those pupils enrolled and in regular daily attendance on the pupil membership count day and the supplemental count day of the current school year, as determined by the department. Membership ~~shall be~~ **is** calculated by adding the number of pupils registered for attendance in that grade level on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(cc) A pupil enrolled in a district other than the pupil's district of residence ~~pursuant to~~ **under** section 1148(2) of the revised school code, MCL 380.1148, ~~shall be~~ **is** counted in the educating district.

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

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

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

(ee) A pupil participating in a virtual course under section 21f ~~shall be~~ **is** counted in membership in the district enrolling the pupil.

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

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

(hh) A pupil enrolled in a community district ~~shall be~~ **is** counted in membership in the community district.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~(mm) Beginning with the 2019-2020 school year, if a district, intermediate district, or public school academy charges tuition for a pupil that resided out of state in the immediately preceding school year, the pupil shall not be counted in membership in the district, intermediate district, or public school academy.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

However, ~~except for pupils enrolled in the youth challenge program at the site at which the youth challenge program operated for 2015-2016,~~ if a district educates pupils who reside in another district and if the primary instructional site for those pupils is established by the educating district after 2009-2010 and is located within the boundaries of that other district, the educating district must have the approval of that other district to count those pupils in membership.

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

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

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

(*i*) Fourth Wednesday in July.

(*ii*) First Wednesday in October.

(*iii*) Second Wednesday in February.

(*iv*) Fourth Wednesday in April.

(8) "Pupils in grades K to 12 actually enrolled and in regular daily attendance" means pupils in grades K to 12 in attendance and receiving instruction in all classes for which they are enrolled on the pupil membership count day or the supplemental count day, as applicable. Except as otherwise provided in this subsection, a pupil who is absent from any of the classes in which the pupil is enrolled on the pupil membership count day or supplemental count day and who does not attend each of those classes during the 10 consecutive school days immediately following the pupil membership count day or supplemental count day, except for a pupil who has been excused by the district, ~~shall not be~~ **is not** counted as 1.0 full-time equated membership. A pupil who is excused from attendance on the pupil membership count day or supplemental count day and who fails to attend each of the classes in which the pupil is enrolled within 30 calendar days after the pupil membership count day or supplemental count day ~~shall not be~~ **is not** counted as 1.0 full-time equated membership. In addition, a pupil who was enrolled and in attendance in a district, intermediate district, or public school academy before the pupil membership count day or supplemental count day of a particular year but was expelled or suspended on the pupil membership count day or supplemental count day ~~shall~~ **is** only ~~be~~ counted as 1.0 full-time equated membership if the pupil resumed attendance in the district, intermediate district, or public school academy within 45 days after the pupil membership count day or supplemental count day of that particular year. ~~Pupils~~ **A pupil** not counted as 1.0 full-time equated membership due to an absence from a class ~~shall be~~ **is** counted as a prorated membership for the classes the pupil attended. For purposes of this subsection, "class" means a period of time in 1 day when pupils and a certificated teacher, a teacher engaged to teach under section 1233b of the revised school code, MCL 380.1233b, or an individual working under a valid substitute permit, authorization, or approval issued by the department, are together and instruction is taking place.

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

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

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

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

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

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

(15) "Supplemental count day" means the day on which the supplemental pupil count is conducted under section 6a.

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

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

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

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

(20) "Total state aid" or "total state school aid" means the total combined amount of all funds due to a district, intermediate district, or other entity under this article.

Sec. 8b. (1) The department shall **work with the center to** assign a district code to each public school academy that is authorized under the revised school code and is eligible to receive funding under this article within 30 days after a contract is submitted to the department by the authorizing body of a public school academy.

(2) If the department **or the center** does not assign a district code to a public school academy within the 30-day period described in subsection (1), the district code **to be used by** the department ~~shall use~~ to make payments under this article to the newly authorized public school academy ~~shall be~~ **is** a number that is equivalent to the sum of the last district code assigned to a public school academy located in the same county as the newly authorized public school academy plus 1. However, if there is not an existing public school academy located in the same county as the newly authorized public school academy, then the district code **to be used by** the department ~~shall use~~ to make payments under this article to the newly authorized public school academy ~~shall be~~ **is** a 5-digit number that has the county code in which the public school academy is located as its first 2 digits, 9 as its third digit, 0 as its fourth digit, and 1 as its fifth digit. If the number of public school academies in a county grows to exceed 100, the third digit in this 5-digit number ~~shall then be~~ **is** 7 for the public school academies in excess of 100. **If the number of public school academies in a county grows to exceed 200, then the third digit in this 5-digit number is 5 for the public school academies in excess of 200.**

(3) For each school of excellence that is a cyber school ~~and is~~ authorized under part 6e of the revised school code, MCL 380.551 to 380.561, ~~by a school district, intermediate school district, community college other than a federal tribally controlled community college, or other authorizing body that is not empowered to authorize a school of excellence to operate statewide~~ and **that** is eligible to receive funding under this article, all of the following apply:

(a) The department shall assign a district code that includes as the first 2 digits the county code in which the authorizing body is located.

(b) If the cyber school does not provide instruction at a specific location, ~~the intermediate district that would normally provide programs and services to the school district~~ **all of the following apply:**

(*i*) If the cyber school is authorized by an intermediate district board, the cyber school is assigned to the jurisdiction of that intermediate district.

(*ii*) If the cyber school is authorized by a district board, the cyber school is assigned to the jurisdiction of the intermediate district in which the district is located.

(*iii*) If the cyber school is authorized by the board of a community college or governing board of a state public university, the cyber school is assigned to the jurisdiction of the intermediate district in which the administrative office of the cyber school is located**.** ~~shall provide programs and services to the cyber school.~~

(c) The intermediate ~~school district required to provide programs and services to~~ **district's jurisdiction to which** a cyber school **is assigned** under this ~~subdivision~~ **subsection** remains the same for as long as that cyber school is in operation **unless the cyber school experiences a change in its authorizing body**. **If a change in the authorizing body of a cyber school described under subdivision (b) occurs, subdivision (b) must be applied to account for the change and the cyber school must be reassigned to the jurisdiction of the applicable intermediate district, as required under subdivision (b).**

Sec. 11. (1) ~~For the fiscal year ending September 30, 2018, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $12,682,127,200.00 from the state school aid fund, the sum of $78,500,000.00 from the general fund, an amount not to exceed $72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to exceed $23,100,000.00 from the MPSERS retirement obligation reform reserve fund, and an amount not to exceed $100.00 from the water emergency reserve fund.~~ For the fiscal year ending September 30, 2019, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of ~~$12,876,825,200.00~~ **$12,845,140,200.00** from the state school aid fund, the sum of $87,920,000.00 from the general fund, an amount not to exceed

~~$72,000,000.00~~ **$72,200,000.00** from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to exceed ~~$31,900,000.00~~ **$30,000,000.00** from the MPSERS retirement obligation reform reserve fund, an amount not to exceed $30,000,000.00 from the school mental health and support services fund created under section 31m, and an amount not to exceed $100.00 from the water emergency reserve fund. **For the fiscal year ending September 30, 2020, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $13,293,465,000.00 from the state school aid fund, the sum of $45,000,000.00 from the general fund, an amount not to exceed $75,400,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to exceed $1,900,000.00 from the MPSERS retirement obligation reform reserve fund, an amount not to exceed $40,000,000.00 from the talent investment fund created under section 8a of the higher education loan authority act, 1975 PA 222, MCL 390.1158a, and an amount not to exceed $100.00 from the water emergency reserve fund.** In addition, all available federal funds are appropriated each fiscal year for the fiscal years ending September 30, ~~2018~~ **2019** and September 30, ~~2019.~~**2020.**

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

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

Sec. 11a. (1) The school aid stabilization fund is created as a separate account within the state school aid fund**.** ~~established by section 11 of article IX of the state constitution of 1963.~~

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

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

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

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

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

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

(5) Money in the school aid stabilization fund at the close of a fiscal year ~~shall remain~~ **remains** in the school aid stabilization fund and ~~shall~~ **does** not lapse to the unreserved school aid fund balance or the general fund.

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

(7) For ~~2018-2019,~~ **2019-2020,** in addition to the appropriations in section 11, there is appropriated from the school aid stabilization fund to the state school aid fund the amount necessary to fully fund the allocations under this article.

Sec. 11j. From the appropriation in section 11, there is allocated an amount not to exceed ~~$125,500,000.00~~ **$111,000,000.00** for ~~2018-2019~~ **2019-2020** for payments to the school loan bond redemption fund in the department of treasury on behalf of districts and intermediate districts. Notwithstanding section 296 or any other provision of this act, funds allocated under this section are not subject to proration and ~~shall~~ **must** be paid in full.

Sec. 11k. For ~~2018-2019,~~ **2019-2020,** there is appropriated from the general fund to the school loan revolving fund an amount equal to the amount of school bond loans assigned to the Michigan finance authority, not to exceed the total amount of school bond loans held in reserve as long-term assets. As used in this section, "school loan revolving fund" means that fund created in section 16c of the shared credit rating act, 1985 PA 227, MCL 141.1066c.

Sec. 11m. From the appropriation in section 11, there is allocated for ~~2017-2018~~ **2018-2019** an amount not to exceed ~~$18,000,000.00~~ **$57,000,000.00** and there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed ~~$24,000,000.00~~ **$66,000,000.00** for fiscal year cash-flow borrowing costs solely related to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

Sec. 11s. (1) From the ~~general fund appropriation~~ **state school aid fund money appropriated** in section 11, there is allocated ~~$3,230,000.00 for 2018-2019~~ **$8,075,000.00 for 2019-2020** for the purpose of providing services and programs to children who reside within the boundaries of a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency is issued in the current or immediately preceding 3 fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. From the funding appropriated in section 11, there is allocated for ~~fiscal year 2018-2019~~ **2019-2020** $100.00 from the water emergency reserve fund for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated to a district with the majority of its territory located within the boundaries of a city in which an executive proclamation of emergency is issued in the current or immediately preceding ~~3~~ **4** fiscal years and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least 4,000 pupils in membership for a fiscal year after 2016-2017, an amount not to exceed ~~$2,625,000.00 for 2018-2019~~ **$2,425,000.00 for 2019-2020** for the purpose of employing school nurses, classroom aides, and school social workers. The district shall provide a report to the department in a form, manner, and frequency prescribed by the department. The department shall provide a copy of that report to the governor, the house and senate school aid subcommittees, the house and senate fiscal agencies, and the state budget director within 5 days after receipt. The report ~~shall~~ **must** provide at least the following information:

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

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

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

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

(3) For ~~2018-2019~~ **2019-2020** only, from the allocation in subsection (1), there is allocated an amount not to exceed ~~$0.00~~ **$4,000,000.00** to an intermediate district that has a constituent district described in subsection (2) to provide state early intervention services for children described in subsection (1) who are ~~less than 4 years of age as of September 1, 2016.~~ **between age 3 and age 5.** The intermediate district shall use these funds to provide state early intervention services that are similar to the services described in the early on Michigan state plan, including ensuring that all children described in subsection (1) who are less than 4 years of age as of September 1, 2016 are assessed and evaluated at least twice annually.

(4) From the allocation in subsection (1), there is allocated an amount not to exceed $1,000,000.00 for 2019-2020 to the intermediate district described in subsection (3) to enroll children described in subsection (1) in school-day great start readiness programs, regardless of household income eligibility requirements contained in section 32d. The department shall administer this funding consistent with all other provisions that apply to great start readiness programs under sections 32d and 39.

(5) ~~(4)~~ For ~~2018-2019,~~ **2019-2020,** from the allocation in subsection (1), there is allocated an amount not to exceed ~~$605,000.00~~ **$650,000.00** for nutritional services to children described in subsection (1).

(6) ~~(5)~~ In addition to other funding allocated and appropriated in this section, there is appropriated an amount not to exceed ~~$15,000,000.00~~ **$5,000,000.00** for ~~fiscal year 2018-2019~~ **2019-2020** for state restricted contingency funds. These contingency funds are not available for expenditure until they have been transferred to a section within this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 15. (1) If a district or intermediate district fails to receive its proper apportionment, the department, upon satisfactory proof that the district or intermediate district was entitled justly, shall apportion the deficiency in the next apportionment. Subject to subsections (2) and ~~(3),~~ **(5),** if a district or intermediate district has received more than its proper apportionment, the department, upon satisfactory proof, shall deduct the excess in the next apportionment. Notwithstanding any other provision in this article, state aid overpayments to a district, other than overpayments in payments for special education or special education transportation, may be recovered from any payment made under this article other than a special education or special education transportation payment, from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211. State aid overpayments made in special education or special education transportation payments may be recovered from subsequent special education or special education transportation payments, from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211.

(2) ~~If~~ **Except for a pupil who is counted in membership under section 6(4)(ii) and who meets all the requirements under section 21f, if applicable, if** the result of an audit conducted by or for the department affects the current fiscal year membership, **the department shall adjust** affected payments ~~shall be adjusted~~ in the current fiscal year. A deduction due to an adjustment made as a result of an audit conducted by or for the department, or as a result of information obtained by the department from the district, an intermediate district, the department of treasury, or the office of auditor general, ~~shall~~ **must** be deducted from the district's apportionments when the adjustment is finalized. At the request of the district and upon the district presenting evidence satisfactory to the department of the hardship, the department may grant up to an additional ~~9~~ **4** years for the adjustment and may advance payments to the district otherwise authorized under this article if the district would otherwise experience a significant hardship in satisfying its financial obligations. **However, a district that has presented satisfactory evidence of hardship and is undergoing an extended adjustment during 2018-2019 may continue to use the period of extended adjustment as originally granted by the department.**

(3) Beginning in 2018-2019, if an intermediate district completes and certifies an audit of a constituent district's membership for pupils counted in membership under section 6(4)(ii) who meet all of the requirements under section 21f, as applicable, and if the result of an audit conducted by or for the department would otherwise reduce the district's membership for the counting of those pupils, both of the following apply:

(a) The department shall not reduce the district's membership for the fiscal year in which, due to the audit findings from the audit conducted by or for the department, there would have been a reduction in the district's membership.

(b) The department shall notify the district of corrective action that must be taken by the district before the start of the next school fiscal year following the fiscal year in which the department determined the audit findings that would have resulted in the reduction in the district's membership but for the operation of subdivision (a).

(4) In the fiscal year following the fiscal year in which audit findings described under subsection (3)(b) were determined by the department, if a district has not taken the corrective action required under subsection (3)(b) and if an audit conducted by or for the department results in a reduction in the district's membership for pupils described under subsection (3), the department may reduce the district's membership of those pupils by the amount of the disallowance noted in that audit finding.

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

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

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

(8) ~~(5)~~ Expenditures made by the department under this article that are caused by the write-off of prior year accruals may be funded by revenue from the write-off of prior year accruals.

(9) ~~(6)~~ In addition to funds appropriated in section 11 for all programs and services, there is appropriated for ~~2018-2019~~ **2019-2020** for obligations in excess of applicable appropriations an amount equal to the collection of overpayments, but not to exceed amounts available from overpayments.

Sec. 18. (1) Except as provided in another section of this article, each district or other entity shall apply the money received by the district or entity under this article to salaries and other compensation of teachers and other employees, tuition, transportation, lighting, heating, ventilation, water service, the purchase of textbooks,

other supplies, and any other school operating expenditures defined in section 7. However, not more than 20% of the total amount received by a district under sections 22a and 22b or received by an intermediate district under section 81 may be transferred by the board to either the capital projects fund or to the debt retirement fund for debt service. ~~The money shall not be applied or taken~~ **A district or other entity shall not apply or take the money** for a purpose other than as provided in this section. The department shall determine the reasonableness of expenditures and may withhold from a recipient of funds under this article the apportionment otherwise due upon a violation by the recipient.

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

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

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

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

(A) Salaries and wages.

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

(C) Retirement benefit costs.

(D) All other personnel costs.

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

(A) Instruction.

(B) Support services.

(C) Business and administration.

(D) Operations and maintenance.

(c) Links to all of the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) All of the following shall be done not later than November 1 each year for reporting the prior fiscal year data:

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

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

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

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

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

(5) By November 1 each fiscal year, each district and intermediate district shall submit to the center, in a manner prescribed by the center, annual comprehensive financial data consistent with the district's or intermediate district's audited financial statements and consistent with accounting manuals and charts of accounts approved and published by the department. For an intermediate district, the report ~~shall~~ **must** also contain the website address where the department can access the report required under section 620 of the revised school code, MCL 380.620. The department shall ensure that the prescribed Michigan public school accounting manual chart of accounts includes standard conventions to distinguish expenditures by allowable fund function and object. The functions ~~shall~~ **must** include at minimum categories for instruction, pupil support, instructional staff support, general administration, school administration, business administration, transportation, facilities operation and maintenance, facilities acquisition, and debt service; and ~~shall~~ **must** include object classifications of salary, benefits, including categories for active employee health expenditures, purchased services, supplies, capital outlay, and other. ~~Districts~~ **A district** shall report the required level of detail consistent with the manual as part of the comprehensive annual financial report.

(6) By September 30 of each year, each district and intermediate district shall file with the center the special education actual cost report, known as "SE-4096", on a form and in the manner prescribed by the center. An intermediate district shall certify the audit of a district's report.

(7) By October 7 of each year, each district and intermediate district shall file with the center the audited transportation expenditure report, known as "SE-4094", on a form and in the manner prescribed by the center. An intermediate district shall certify the audit of a district's report.

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

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

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

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

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

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

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

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

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

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

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

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

~~(16) Beginning October 1, 2018, and annually thereafter, the department shall submit to the senate and house subcommittees on school aid and to the senate and house standing committees on education an itemized list of allocations under this article to any association or consortium consisting of associations in the immediately preceding fiscal year. The report shall detail the recipient or recipients, the amount allocated, and the purpose for which the funds were distributed.~~

Sec. 20. (1) For ~~2018-2019,~~ **2019-2020,** both of the following apply:

(a) The ~~basic~~ **target** foundation allowance**, formerly known as the basic foundation allowance,** is ~~$8,409.00.~~**$8,529.00.**

(b) The minimum foundation allowance is ~~$7,871.00.~~**$8,111.00.**

(2) The **department shall calculate the** amount of each district's foundation allowance ~~shall be calculated~~ as provided in this section, using a ~~basic~~ **target** foundation allowance in the amount specified in subsection (1). **For the purpose of these calculations, a reference to the target foundation allowance for a preceding fiscal year is equivalent to a reference to the "basic" foundation allowance for that fiscal year.**

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

(a) Except as otherwise provided in this subdivision, for a district that had a foundation allowance for the immediately preceding ~~state~~ fiscal year that was at least equal to the minimum foundation allowance for the immediately preceding ~~state~~ fiscal year, but less than the ~~basic~~ **target** foundation allowance for the immediately preceding ~~state~~ fiscal year, the district ~~shall receive~~ **receives** a foundation allowance in an amount equal to the sum of the district's foundation allowance for the immediately preceding ~~state~~ fiscal year plus the difference between twice the dollar amount of the adjustment from the immediately preceding ~~state~~ fiscal year to the current ~~state~~ fiscal year made in the ~~basic~~ **target** foundation allowance and [(the difference between the ~~basic~~ **target** foundation allowance for the current ~~state~~ fiscal year and ~~basic~~ **target** foundation allowance for the immediately preceding ~~state~~ fiscal year minus $40.00) times (the difference

between the district's foundation allowance for the immediately preceding ~~state~~ fiscal year and the minimum foundation allowance for the immediately preceding ~~state~~ fiscal year) divided by the difference between the ~~basic~~ **target** foundation allowance for the current ~~state~~ fiscal year and the minimum foundation allowance for the immediately preceding ~~state~~ fiscal year.] However, the foundation allowance for a district that had less than the ~~basic~~ **target** foundation allowance for the immediately preceding ~~state~~ fiscal year ~~shall~~ **must** not exceed the ~~basic~~ **target** foundation allowance for the current ~~state~~ fiscal year.

(b) Except as otherwise provided in this subsection, for a district that in the immediately preceding ~~state~~ fiscal year had a foundation allowance in an amount equal to the amount of the ~~basic~~ **target** foundation allowance for the immediately preceding ~~state~~ fiscal year, the district ~~shall receive~~ **receives** a foundation allowance for ~~2018-2019~~ **2019-2020** in an amount equal to the ~~basic~~ **target** foundation allowance for ~~2018-2019.~~**2019-2020.**

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

(d) For a district that has a foundation allowance that is not a whole dollar amount, **the department shall round** the district's foundation allowance ~~shall be rounded~~ up to the nearest whole dollar.

~~(e) For a district that received a foundation allowance supplemental payment calculated under section 20m and paid under section 22b for 2017-2018, the district's 2017-2018 foundation allowance is considered to have been an amount equal to the sum of the district's actual 2017-2018 foundation allowance as otherwise calculated under this section plus the lesser of the per pupil amount of the district's supplemental payment for 2017-2018 as calculated under section 20m or the product of the district's foundation allowance for the immediately preceding state fiscal year times the percentage increase in the United States consumer price index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b.~~

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

(5) The allocation calculated under this section for a pupil ~~shall be~~ **is** based on the foundation allowance of the pupil's district of residence. For a pupil enrolled pursuant to section 105 or 105c in a district other than the pupil's district of residence, the allocation calculated under this section ~~shall be~~ **is** based on the lesser of the foundation allowance of the pupil's district of residence or the foundation allowance of the educating district. For a pupil in membership in a K-5, K-6, or K-8 district who is enrolled in another district in a grade not offered by the pupil's district of residence, the allocation calculated under this section ~~shall be~~ **is** based on the foundation allowance of the educating district if the educating district's foundation allowance is greater than the foundation allowance of the pupil's district of residence. ~~The calculation under this subsection shall take into account a district's per pupil allocation under section 20m.~~

(6) Except as otherwise provided in this subsection, for pupils in membership, other than special education pupils, in a public school academy, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the public school academy equal to the foundation allowance of the district in which the public school academy is located or the state maximum public school academy allocation, whichever is less. Except as otherwise provided in this subsection, for pupils in membership, other than special education pupils, in a public school academy that is a cyber school and is authorized by a school district, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the public school academy equal to the foundation allowance of the district that authorized the public school academy or the state maximum public school academy allocation, whichever is less. However, **for** a public school academy that had an allocation under this subsection before 2009-2010 that was equal to the sum of the local school operating revenue per membership pupil other than special education pupils for the district in which the public school academy is located and the state portion of that district's foundation allowance**,** ~~shall not have~~ that allocation **is not** reduced as a result of the 2010 amendment to this subsection. Notwithstanding section 101, for a public school academy that begins operations after the pupil membership count day, the amount per membership pupil calculated under this subsection ~~shall~~ **must** be adjusted by multiplying that amount per membership pupil by the number of hours of pupil instruction provided by the public school academy after it begins operations, as determined by the department, divided by the minimum number of hours of pupil instruction required under section 101(3). The result of this calculation ~~shall~~ **must** not exceed the amount per membership pupil otherwise calculated under this subsection.

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

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

(9) ~~Each~~ **The department shall round each** fraction used in making calculations under this section ~~shall be rounded~~ to the fourth decimal place and **shall round** the dollar amount of an increase in the ~~basic~~ **target** foundation allowance ~~shall be rounded~~ to the nearest whole dollar.

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

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

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

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

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

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

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

(14) For the purposes of section 1211 of the revised school code, MCL 380.1211, the basic foundation allowance under this section is considered to be the target foundation allowance under this section.

(15) ~~(14)~~ As used in this section:

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

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

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

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

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

(f) "Immediately preceding ~~state~~ fiscal year" means the ~~state~~ fiscal year immediately preceding the current ~~state~~ fiscal year.

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

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

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

(j) "Maximum public school academy allocation", except as otherwise provided in this subdivision, means the maximum per-pupil allocation as calculated by adding the highest per-pupil allocation among all public school academies for the immediately preceding ~~state~~ fiscal year plus the difference between twice the amount of the difference between the ~~basic~~ **target** foundation allowance for the current ~~state~~ fiscal year and the ~~basic~~ **target** foundation allowance for the immediately preceding ~~state~~ fiscal year and [(the amount of the difference between the ~~basic~~ **target** foundation allowance for the current ~~state~~ fiscal year and the ~~basic~~ **target** foundation allowance for the immediately preceding ~~state~~ fiscal year minus $40.00) times (the difference between the highest per-pupil allocation among all public school academies for the immediately preceding ~~state~~ fiscal year and the minimum foundation allowance for the immediately preceding ~~state~~ fiscal year) divided by the difference between the ~~basic~~ **target** foundation allowance for the current ~~state~~ fiscal year and the minimum foundation allowance for the immediately preceding ~~state~~ fiscal year.] For the purposes of this subdivision, for ~~2018-2019,~~ **2019-2020,** the maximum public school academy allocation is ~~$7,871.00.~~**$8,111.00.**

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

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

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

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

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

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

(q) "Target foundation allowance for the immediately preceding fiscal year" means, for 2019-2020 only, the basic foundation allowance in effect for the 2018-2019 fiscal year.

(r) ~~(q)~~ "Tax increment financing acts" means 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, or the corridor improvement authority act, 2005 PA 280, MCL 125.2871 to 125.2899.

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

Sec. 20d. In making the final determination required under former section 20a of a district's combined state and local revenue per membership pupil in 1993-94 and in making calculations under section 20 for ~~2018-2019,~~ **2019-2020,** the department and the department of treasury shall comply with all of the following:

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

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

Sec. 20f. (1) From the funds appropriated in section 11, there is allocated an amount not to exceed $18,000,000.00 for ~~2018-2019~~ **2019-2020** for payments to eligible districts under this section.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 21h. (1) From the appropriation in section 11, there is allocated ~~$7,000,000.00~~ **$6,000,000.00** for ~~2018-2019~~ **2019-2020** for assisting districts assigned by the superintendent to participate in a partnership to improve student achievement. The purpose of the partnership is to identify district needs, develop intervention plans, and partner with public, private, and nonprofit organizations to coordinate resources and improve student achievement. Assignment of a district to a partnership is at the sole discretion of the superintendent.

(2) A district assigned to a partnership by the superintendent is eligible for funding under this section if the district includes at least 1 school that has been rated with a grade of "F", or comparable performance rating, in the most recent state accountability system rating ~~, that is not under the supervision of the state school reform/redesign office,~~ and that does all of the following:

(a) Completes a comprehensive needs evaluation in collaboration with an intermediate school district, community members, education organizations, and postsecondary institutions, as applicable and approved by the superintendent, within 90 days of assignment to the partnership described in this section. The comprehensive needs evaluation ~~shall~~ **must** include at least all of the following:

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

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

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

(b) Develops an intervention plan that has been approved by the superintendent and that addresses the needs identified in the comprehensive needs evaluation completed under subdivision (a). The intervention plan ~~shall~~ **must** include at least all of the following:

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

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

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

(3) Upon approval of the intervention plan developed under subsection (2), the department shall assign a team of individuals with expertise in comprehensive school and district reform to partner with the district, the intermediate district, community organizations, education organizations, and postsecondary institutions identified in the intervention plan to review the district's use of existing financial resources to ensure that those resources are being used as efficiently and effectively as possible to improve student academic achievement. The superintendent of public instruction may waive burdensome administrative rules for a partnership district for the duration of the partnership agreement.

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

(5) The department shall annually report in person to the legislature on the activities funded under this section and how those activities impacted student achievement in eligible districts that received funds under this section. To the extent possible, participating districts receiving funding under this section shall participate in the report.

Sec. 22a. (1) From the appropriation in section 11, there is allocated an amount not to exceed ~~$5,176,000,000.00 for 2017-2018~~ **$5,057,000,000.00 for 2018-2019** and there is allocated an amount not to exceed ~~$5,107,000,000.00 for 2018-2019~~ **$4,943,000,000.00 for 2019-2020** for payments to districts and qualifying public school academies to guarantee each district and qualifying public school academy an amount equal to its 1994-95 total state and local per pupil revenue for school operating purposes under section 11 of article IX of the state constitution of 1963. Pursuant to section 11 of article IX of the state constitution of 1963, this guarantee does not apply to a district in a year in which the district levies a millage rate for school district operating purposes less than it levied in 1994. However, subsection (2) applies to calculating the payments under this section. ~~Funds allocated under this section that are not expended in the state fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22b and 51c in order to fully fund those calculated allocations for the same fiscal year.~~

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

(a) Except as otherwise provided in this subsection, the state portion of a district's 1994-95 foundation allowance is an amount equal to the district's 1994-95 foundation allowance or $6,500.00, whichever is less, minus the difference between the sum of the product of the taxable value per membership pupil of all property in the district that is nonexempt property times the district's certified mills and, for a district with certified mills exceeding 12, the product of the taxable value per membership pupil of property in the district that is commercial personal property times the certified mills minus 12 mills and the quotient of the ad valorem property tax revenue of the district captured under tax increment financing acts divided by the district's membership. For a district that has a millage reduction required under section 31 of article IX of the state constitution of 1963, **the department shall calculate** the state portion of the district's foundation allowance ~~shall be calculated~~ as if that reduction did not occur. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, taxable value per membership pupil of all property in the receiving district that is nonexempt property and taxable value per membership pupil of property in the receiving district that is commercial personal property do not include property within the geographic area of the dissolved district; ad valorem property tax revenue of the receiving district captured under tax increment financing acts does not include ad valorem property tax revenue captured within the geographic boundaries of the dissolved district under tax increment financing acts; and certified mills do not include the certified mills of the dissolved district. For a community district, **the department shall reduce** the allocation as otherwise calculated under this section ~~shall be reduced~~ by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, and the amount of this reduction ~~shall be~~ **is** offset by the increase in funding under section 22b(2).

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

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

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

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

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

(7) As used in this section:

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

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

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

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

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

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

~~(g) "Homestead", "qualified agricultural property", "qualified forest property", "supportive housing property", "industrial personal property", and "commercial personal property" mean those terms as defined in section 1211 of the revised school code, MCL 380.1211.~~

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

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

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

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

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

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

(m) "Tax increment financing acts" means 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to ~~125.2672,~~ **125.2670,** or the corridor improvement authority act, 2005 PA 280, MCL 125.2871 to 125.2899.

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

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

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

Sec. 22b. (1) For discretionary nonmandated payments to districts under this section, there is allocated for ~~2017-2018~~ **2018-2019** an amount not to exceed ~~$3,957,000,000.00~~ **$4,217,800,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed ~~$72,000,000.00~~ **$72,200,000.00** from the community district education trust fund appropriation in section 11, and there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed ~~$4,252,000,000.00~~ **$4,480,600,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed ~~$72,000,000.00~~ **$75,400,000.00** from the community district education trust fund appropriation in section 11. ~~Except for money allocated from the community district trust fund, money allocated under this section that is not expended in the state fiscal year for which it was allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 51c in order to fully fund those calculated allocations for the same fiscal year.~~

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

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

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

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

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

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

(e) Comply with section 21f.

(f) For a district or public school academy that has entered into a partnership agreement with the department, comply with section 22p.

(g) For a district or public school academy that offers kindergarten, comply with section 104(4).

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

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

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

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

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

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

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

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

Sec. 22d. (1) From the appropriation in section 11, an amount not to exceed ~~$6,000,000.00~~ **$7,000,000.00** is allocated for ~~2018-2019~~ **2019-2020** for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed $957,300.00 for payments under this subsection to districts that meet all of the following:

(a) Operates grades K to 12.

(b) Has fewer than 250 pupils in membership.

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

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

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

(3) The amount of the additional funding to each eligible district under subsection (2) ~~shall be~~ **is** determined under a spending plan developed as provided in this subsection and approved by the superintendent of public instruction. The spending plan ~~shall~~ **must** be developed cooperatively by the intermediate superintendents of each intermediate district in which an eligible district is located. The intermediate superintendents shall review the financial situation of each eligible district, determine the minimum essential financial needs of each eligible district, and develop and agree on a spending plan that distributes the available funding under subsection (2) to the eligible districts based on those financial needs. The intermediate superintendents shall submit the spending plan to the superintendent of public instruction for approval. Upon approval by the

superintendent of public instruction, the amounts specified for each eligible district under the spending plan are allocated under subsection (2) and ~~shall~~ **must** be paid to the eligible districts in the same manner as payments under section 22b.

(4) Subject to subsection (6), from the allocation in subsection (1), there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed ~~$5,042,700.00~~ **$6,042,700.00** for payments under this subsection to districts that have ~~7.7 or~~ fewer **than 10.0** pupils per square mile as determined by the department.

(5) The funds allocated under subsection (4) ~~shall be~~ **are** allocated ~~on an equal per-pupil basis.~~**as follows:**

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

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

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

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

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

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

Sec. 22m. (1) From the appropriations in section 11, there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed $2,200,000.00 for supporting the integration of local data systems into the Michigan data hub network based on common standards and applications that are in compliance with section 19(6).

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

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

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

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

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

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

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

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

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

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

(d) Promoting 100% district adoption of the Michigan data hub network by September 30, 2020.

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

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

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

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

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

Sec. 22p. In order to receive funding under section 22b, a district or public school academy that has a signed partnership agreement with the department must meet both of the following:

(a) ~~Amends the~~ **Adopts a** partnership agreement ~~to include~~ **that includes** measurable academic outcomes that will be achieved after 18 months and after 36 months from the date the agreement was originally signed. Measurable academic outcomes under this subdivision must include outcomes that put pupils on track to meet or exceed grade level proficiency **and must be based on district needs identified as required under section 21h**.

(b) ~~Amends the~~ **Adopts a** partnership agreement ~~to include~~ **that includes** accountability measures to be imposed if the district or public school academy does not achieve the measurable academic outcomes under subdivision (a) for a school subject to a partnership agreement. Accountability measures under this subdivision ~~may~~ **must** include ~~either~~ the closure of the school at the end of the current school year or the reconstitution of the school**.** ~~in a final attempt to improve student educational performance or to avoid interruption of the educational process.~~ For a public school academy that ~~amends~~ **adopts** a partnership agreement under this subdivision, the ~~amended~~ agreement must include a requirement that if reconstitution is imposed on a school that is operated by the public school academy and that is subject to the partnership agreement, the school ~~shall~~ **must** be reconstituted as described in section 507 of the revised school code, MCL 380.507. For a district that ~~amends~~ **adopts** a partnership agreement under this subdivision, the ~~amended~~ agreement must include a requirement that if reconstitution is imposed on a school that is operated by the district and that is subject to the partnership agreement, all of the following apply:

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

~~(*ii*) The district shall replace at least 25% of the faculty and staff of the school.~~

(*ii*) ~~(*iii*)~~ The district shall replace the principal of the school, unless the current principal has been in place for less than 3 years and the board of the district determines that it is in the best interests of the district to retain current school leadership.

(*iii*) ~~(*iv*)~~ The reconstitution plan for the school shall require the adoption of goals similar to the goals included in a partnership agreement, with a limit of 5 years to achieve the goals. If the goals are not achieved within 5 years, the superintendent of public instruction shall either impose a second reconstitution plan on the school or close the school.

Sec. 24. (1) From the appropriation in section 11, there is allocated ~~each fiscal year for 2017-2018 and for 2018-2019~~ **for 2019-2020** an amount not to exceed $7,150,000.00 for payments to the educating district or intermediate district for educating pupils assigned by a court or the department of health and human services to reside in or to attend a juvenile detention facility or child caring institution licensed by the department of health and human services and approved by the department to provide an on-grounds education program. The amount of the payment under this section to a district or intermediate district ~~shall be~~ **is** calculated as prescribed under subsection (2).

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

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

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

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

(4) Special education pupils funded under section 53a ~~shall not be~~ **are not** funded under this section.

Sec. 24a. From the appropriation in section 11, there is allocated an amount not to exceed $1,355,700.00 for ~~2018-2019~~ **2019-2020** for payments to intermediate districts for pupils who are placed in juvenile justice service facilities operated by the department of health and human services. ~~Each~~ **The amount of the payment to each** intermediate district ~~shall receive~~ **is** an amount equal to the state share of those costs that are clearly and directly attributable to the educational programs for pupils placed in facilities described in this section that are located within the intermediate district's boundaries. The intermediate districts receiving payments under this section shall cooperate with the department of health and human services to ensure that all funding allocated under this section is utilized by the intermediate district and department of health and human services for educational programs for pupils described in this section. Pupils described in this section are not eligible to be funded under section 24. However, a program responsibility or other fiscal responsibility associated with these pupils ~~shall~~ **must** not be transferred from the department of health and human services to a district or intermediate district unless the district or intermediate district consents to the transfer.

Sec. 25e. (1) The pupil membership transfer application and pupil transfer process administered by the center under this section ~~shall be~~ **is** used for processing pupil transfers.

(2) If a pupil counted in membership for the pupil membership count day transfers from a district or intermediate district to enroll in another district or intermediate district after the pupil membership count day and before the supplemental count day and, due to the pupil's enrollment and attendance status as of the pupil membership count day, the pupil was not counted in membership in the educating district or intermediate district, the educating district or intermediate district may report the enrollment and attendance information to the center through the pupil transfer process within 30 days after the transfer or within 30 days after the pupil membership count certification date, whichever is later. Pupil transfers may be submitted no earlier than the first day after the certification deadline for the pupil membership count day and before the supplemental count day. Upon receipt of the transfer information under this subsection indicating that a pupil has enrolled and is in attendance in an educating district or intermediate district as described in this subsection, the ~~pupil transfer process~~ **center** shall do the following:

(a) Notify the district in which the pupil was previously enrolled.

(b) Notify both the pupil auditing staff of the intermediate district in which the educating district is located and the pupil auditing staff of the intermediate district in which the district that previously enrolled the pupil is located. The pupil auditing staff shall investigate a representative sample based on required audit sample sizes in the pupil auditing manual and may deny the pupil membership transfer.

(c) Aggregate the districtwide changes and notify the department for use in adjusting the state aid payment system.

(3) The department shall do all of the following:

(a) Adjust the membership calculation for each district or intermediate district in which the pupil was previously counted in membership or that previously received an adjustment in its membership calculation under this section due to a change in the pupil's enrollment and attendance so that the district's or intermediate district's membership is prorated to allow the district or intermediate district to receive for each school day, as determined by the financial calendar furnished by the center, in which the pupil was enrolled and in attendance in the district or intermediate district an amount equal to 1/105 of a full-time equated membership claimed in the fall pupil membership count. The **department shall pay the** district or intermediate district ~~shall receive~~ a prorated foundation allowance in an amount equal to the product of the adjustment under this subdivision for the district or intermediate district multiplied by the foundation allowance or per-pupil payment as calculated under section 20 for the district or intermediate district. The foundation allowance or per-pupil payment ~~shall be~~ **is** adjusted by the pupil's full-time equated status as affected by the membership definition under section 6(4).

(b) Adjust the membership calculation for the educating district or intermediate district in which the pupil is enrolled and is in attendance so that the district's or intermediate district's membership is increased to allow the district or intermediate district to receive an amount equal to the difference between the full-time equated membership claimed in the fall pupil membership count and the sum of the adjustments calculated under subdivision (a) for each district or intermediate district in which the pupil was previously enrolled and in attendance. The **department shall pay the** educating district or intermediate district ~~shall receive~~ a prorated foundation allowance in an amount equal to the product of the adjustment under this subdivision

for the educating district or intermediate district multiplied by the per-pupil payment as calculated under section 20 for the educating district or intermediate district. The foundation allowance or per-pupil payment ~~shall be~~ **is** adjusted by the pupil's full-time equated status as affected by the membership definition under section 6(4).

(4) The changes in calculation of state school aid required under subsection (3) ~~shall~~ take effect as of the date that the pupil becomes enrolled and in attendance in the educating district or intermediate district, and the department shall base all subsequent payments under this article for the fiscal year to the affected districts or intermediate districts on this recalculation of state school aid.

(5) If a pupil enrolls in an educating district or intermediate district as described in subsection (2), the district or intermediate district in which the pupil is counted in membership or another educating district or intermediate district that received an adjustment in its membership calculation under subsection (3), if any, and the educating district or intermediate district shall provide to the center and the department all information they require to comply with this section.

(6) The portion of the full-time equated pupil membership for which a pupil is enrolled in 1 or more online courses under section 21f that is representative of the amount that the primary district paid in course costs to the course provider ~~shall not be~~ **is not** counted or transferred under the pupil transfer process under this section.

(7) ~~It is the intent of the legislature that the center determine the number of pupils who did not reside in this state as of the 2018-2019 pupil membership count day but who newly enrolled in a district or intermediate district after that pupil membership count day and before the 2018-2019 supplemental count day. It is the intent of the legislature that the center further determine the number of pupils who were counted in membership for the 2018-2019 pupil membership count day but who left this state before the 2018-2019 supplemental count day. In 2019-2020, the~~ **The** center **annually** shall provide a report to the senate and house appropriations subcommittees on state school aid, and to the senate and house fiscal agencies, detailing the number of pupils transferring in from outside the public school system of this state and the number of pupils transferring out of the public school system in this state between the pupil membership count day and supplemental count day as described in this subsection.

(8) As used in this section:

(a) "Educating district or intermediate district" means the district or intermediate district in which a pupil enrolls after the pupil membership count day or after an adjustment was made in another district's or intermediate district's membership calculation under this section due to the pupil's enrollment and attendance.

(b) "Pupil" means that term as defined under section 6 and also children receiving early childhood special education programs and services.

Sec. 25f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $1,600,000.00 ~~each fiscal year for 2017-2018 and for 2018-2019~~ **for 2019-2020** for payments to strict discipline academies established under sections 1311b to 1311m of the revised school code, MCL 380.1311b to 380.1311m, as provided under this section.

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

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

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

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

(4) Special education pupils funded under section 53a shall not be funded under this section.

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

(6) ~~Payments~~ **The department shall make payments** to districts under this section ~~shall be made~~ according to the payment schedule under section 17b.

Sec. 25g. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $750,000.00 for ~~2018-2019~~ **2019-2020** for the purposes of this section. ~~If~~ **Except as otherwise provided in this section, if** the operation of the special membership counting provisions under section 6(4)(dd) and the other membership counting provisions under section 6(4) result in a pupil being counted as more than 1.0 FTE in a fiscal year, then the payment made for the pupil under sections 22a and 22b ~~shall~~ **must** not be based on more than 1.0 FTE for that pupil, and that portion of the FTE that exceeds 1.0 ~~shall be~~ **is** paid under this section in an amount equal to that portion multiplied by the educating district's foundation allowance or per-pupil payment calculated under section 20.

(2) Special education pupils funded under section 53a ~~shall not be~~ **are not** funded under this section.

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

(4) ~~Payments~~ **The department shall make payments** to districts under this section ~~shall be made~~ according to the payment schedule under section 17b.

Sec. 26a. From the funds appropriated in section 11, there is allocated an amount not to exceed ~~$15,000,000.00 for 2017-2018~~ **$14,000,000.00 for 2018-2019** and there is allocated an amount not to exceed ~~$15,000,000.00 for 2018-2019~~ **$15,300,000.00 for 2019-2020** to reimburse districts and intermediate districts pursuant to section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in ~~2017 and~~ 2018 **and 2019**, as applicable. The **department shall pay the** allocations ~~shall be made~~ not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

Sec. 26b. (1) From the appropriation in section 11, there is allocated ~~for 2018-2019~~ an amount not to exceed ~~$4,405,100.00~~ **$4,420,100.00 for 2018-2019 and there is allocated an amount not to exceed $4,641,100.00 for 2019-2020** for payments to districts, intermediate districts, and community college districts for the portion of the payment in lieu of taxes obligation that is attributable to districts, intermediate districts, and community college districts under section 2154 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2154.

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

Sec. 26c. (1) From the appropriation in section 11, there is allocated an amount not to exceed ~~$1,600,000.00 for 2017-2018~~ **$3,400,000.00 for 2018-2019** and there is allocated an amount not to exceed ~~$3,000,000.00 for 2018-2019~~ **$8,400,000.00 for 2019-2020** to the promise zone fund created in subsection (3). The funds allocated under this section reflect the amount of revenue from the collection of the state education tax captured under section ~~17(2)~~ **17** of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

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

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

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

(b) Money in the promise zone fund at the close of a fiscal year ~~shall remain~~ **remains** in the promise zone fund and ~~shall~~ **does** not lapse to the general fund.

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

(5) Notwithstanding section 17b, **the department shall make** payments under this section ~~shall be paid~~ on a schedule determined by the department.

Sec. 28. (1) To recognize differentiated instructional costs for different types of pupils in 2019-2020, the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections:

(a) Section 22d, isolated and rural districts, $7,000,000.00.

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

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

(d) Section 41, bilingual education for English language learners, $16,000,000.00.

(e) Section 51c, special education, mandated percentages, $689,100,000.00.

(f) Section 51f, special education, additional percentages, $30,207,000.00.

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

(h) Section 61d, career and technical education incentives, $10,000,000.00.

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

Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed ~~$528,207,300.00~~ **$535,150,000.00** for payments to eligible districts and eligible public school academies for the purposes of ensuring that pupils are proficient in English language arts by the end of grade 3, that pupils are proficient in mathematics by the end of grade 8, that pupils are attending school regularly, that high school graduates are career and college ready, and for the purposes under subsections (7) and (8).

(2) For a district that has combined state and local revenue per membership pupil under ~~sections 20 and 20m~~ **section 20** that is greater than the ~~basic~~ **target** foundation allowance under section 20 for the current fiscal year, the allocation under this section ~~shall be~~ **is** an amount equal to 30% of the allocation for which it would otherwise be eligible under this section before any proration under subsection (14).

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

(a) Team-based leadership.

(b) A tiered delivery system.

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

(d) A comprehensive screening and assessment system.

(e) Continuous data-based decision making.

(4) ~~Except as otherwise provided in this subsection, an eligible district or eligible public school academy shall receive under this section for each membership pupil in the district or public school academy who is determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year,~~ **From the funds allocated under subsection (1), there is allocated for 2019-2020 an amount not to exceed $510,000,000.00 to continue a weighted foundation per-pupil payment for districts and public school academies enrolling economically disadvantaged pupils. The department shall pay under this section to each eligible district or eligible public school academy** an amount per pupil equal to 11.5% of the statewide weighted average foundation allowance ~~. However, a public school academy that began operations as a public school academy after the pupil membership count day of the immediately preceding school year shall receive under this section for each membership pupil in the public school academy, who is determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the current fiscal year, an amount per pupil equal to 11.5% of the statewide weighted average foundation allowance.~~**for the following, as applicable:**

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

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

(*ii*) If the district or public school academy is in the community eligibility program, the number of pupils determined to be eligible based on the product of the identified student percentage reported for community eligibility provision status multiplied by the total number of membership pupils in the district or public school academy, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year. This subparagraph only applies to a district or public school academy for the fiscal year immediately following the first fiscal year in which it is in the community eligibility program.

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

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

(5) Except as otherwise provided in this section, a district or public school academy receiving funding under this section shall use that money only to provide instructional programs and direct noninstructional services, including, but not limited to, medical, mental health, or counseling services, for at-risk pupils; for school health clinics; and for the purposes of subsection (6), (7), or (8). In addition, a district that is a school district of the first class or a district or public school academy in which at least 50% of the pupils in membership were determined to be economically disadvantaged in the immediately preceding state fiscal year, as determined and reported as described in subsection (4), may use not more than 20% of the funds it receives under this section for school security **that aligns to the needs assessment and the multi-tiered system of supports model**. A district or public school academy shall not use any of that money for administrative costs. The instruction or direct noninstructional services provided under this section may be conducted before or after regular school hours or by adding extra school days to the school year. Funds spent on school security under this subsection must be counted toward required spending under subsection (16)(c).

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

(7) From the funds allocated under subsection (1), there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed ~~$6,057,300.00~~ **$8,000,000.00** to support primary health care services provided to children and adolescents up to age 21. These funds ~~shall~~ **must** be expended in a form and manner determined jointly by the department and the department of health and human services. If any funds allocated under this subsection are not used for the purposes of this subsection for the fiscal year in which they are allocated, those unused funds ~~shall~~ **must** be used that fiscal year to avoid or minimize any proration that would otherwise be required under subsection (14) for that fiscal year.

(8) From the funds allocated under subsection (1), there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed $5,150,000.00 for the state portion of the hearing and vision screenings as described in section 9301 of the public health code, 1978 PA 368, MCL 333.9301. A local public health department shall pay at least 50% of the total cost of the screenings. The frequency of the screenings ~~shall~~ **must** be as required under R 325.13091 to R 325.13096 and R 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds ~~shall~~ **must** be awarded in a form and manner approved jointly by the department and the department of health and human services. Notwithstanding section 17b, **the department shall make** payments to eligible entities under this subsection ~~shall be paid~~ on a schedule determined by the department.

(9) Each district or public school academy receiving funds under this section shall submit to the department by July 15 of each fiscal year a report, in the form and manner prescribed by the department, that includes a brief description of each program conducted or services performed by the district or public school academy using funds under this section, the amount of funds under this section allocated to each of those programs or services, the total number of at-risk pupils served by each of those programs or services, and the data necessary for the department and the department of health and human services to verify matching funds for the temporary assistance for needy families program. In prescribing the form and manner of the report, the department shall ensure that districts are allowed to expend funds received under this section on any activities that are permissible under this section. If a district or public school academy does not comply with this

subsection, the department shall withhold an amount equal to the August payment due under this section until the district or public school academy complies with this subsection. If the district or public school academy does not comply with this subsection by the end of the ~~state~~ fiscal year, the withheld funds ~~shall be~~ **are** forfeited to the school aid fund.

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

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

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

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

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

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

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

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

(16) Beginning in 2019-2020, ~~if a district or public school academy does not demonstrate to the satisfaction of the department that at least 50% of at-risk pupils are proficient in English language arts by the end of grade 3 as measured by the state assessment for the immediately preceding school year or have achieved at least 1 year's growth in English language arts during grade 3 as measured by a local benchmark assessment for the immediately preceding school year, demonstrate to the satisfaction of the department that at least 50% of at-risk pupils are proficient in mathematics by the end of grade 8 as measured by the state assessment for the immediately preceding school year or have achieved at least 1 year's growth in mathematics during grade 8 as measured by a local benchmark assessment for the immediately preceding school year, and demonstrate to the satisfaction of the department improvement over each of the 3 immediately preceding school years in the percentage of at-risk pupils that are career- and college-ready as determined by proficiency on the English language arts, mathematics, and science content area assessments on the grade 11 summative assessment under section 1279g(2)(a) of the revised school code, MCL 380.1279g, the district or public school academy shall ensure~~ all of the following **are required**:

(a) ~~The district or public school academy~~ **For a district or public school academy that the department determines has less than 50% of at-risk pupils proficient in English language arts by the end of grade 3 as measured by the state assessment for the immediately preceding school year, the department** shall determine the proportion of at-risk pupils in grade 3 that represents the number of at-risk pupils in grade 3 that are not proficient in English language arts by the end of grade 3 ~~or that did not achieve at least 1 year's growth in English language arts during grade 3,~~ **and shall notify the district or public school academy of that proportion,** and the district or public school academy shall expend that same proportion multiplied by 1/3 of its total at-risk funds under this section on tutoring and other methods of improving grade 3 English language arts proficiency or growth.

(b) ~~The district or public school academy~~ **For a district or public school academy that the department determines has less than 50% of at-risk pupils proficient in mathematics by the end of grade 8 as measured by the state assessment for the immediately preceding school year, the department** shall determine the proportion of at-risk pupils in grade 8 that represents the number of at-risk pupils in grade 8 that are not proficient in mathematics by the end of grade 8 ~~or that did not achieve at least 1 year's growth in mathematics during grade 8,~~ **and shall notify the district or public school academy of that proportion,** and the district or public school academy shall expend that same proportion multiplied by 1/3 of its total at-risk funds under this section on tutoring and other methods of improving grade 8 mathematics proficiency or growth.

(c) ~~The district or public school academy~~ **For a district or public school academy that the department determines has not had improvement for each of the 3 immediately preceding school years in the percentage of at-risk pupils that are career- and college-ready as determined by proficiency on the English language arts, mathematics, and science content area assessments on the grade 11 summative assessment under section 1279g(2)(a) of the revised school code, MCL 380.1279g, the department** shall determine the proportion of at-risk pupils in grade 11 that represents the number of at-risk pupils in grade 11 that are not career- and college-ready as measured by the student's score on the English language arts, mathematics, and science content area assessments on the grade 11 summative assessment under section 1279g(2)(a) of the revised school code, MCL 380.1279g, **and shall notify the district or public school academy of that proportion,** and the district or public school academy shall expend that same proportion multiplied by 1/3 of its total at-risk funds under this section on tutoring and other activities to improve scores on the college entrance examination portion of the Michigan merit examination.

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

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

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

(20) As used in this section:

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

(*i*) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

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

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

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

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

(d) "Statewide weighted average foundation allowance" means the number that is calculated by adding together the result of each district's or public school academy's foundation allowance**, not to exceed the target foundation allowance for the current fiscal year,** or per pupil payment calculated under section 20 multiplied by the number of pupils in membership in that district or public school academy, and then dividing that total by the statewide number of pupils in membership. ~~For the purposes of this calculation, a district's foundation allowance shall not exceed the basic foundation allowance under section 20 for the current state fiscal year.~~

Sec. 31b. (1) From the ~~appropriations~~ **talent investment fund money appropriated** in section 11, there is allocated an amount not to exceed $750,000.00 for ~~2018-2019~~ **2019-2020 only** for grants to at-risk districts for implementing a balanced calendar instructional program for at least 1 of its schools.

(2) The department shall select districts for grants under this section from among applicant districts that meet both of the following:

(a) The district meets 1 or both of the following:

(*i*) Is eligible in ~~2018-2019~~ **2019-2020** for the community eligibility option for free and reduced price lunch under 42 USC 1759a.

(*ii*) At least 50% of the pupils in membership in the district met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding ~~state~~ fiscal year, as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j.

(b) The board of the district has adopted a resolution stating that the district will implement for the first time a balanced calendar instructional program that will begin in ~~2019-2020~~ **2020-2021** for at least 1 school operated by the district and committing to providing the balanced calendar instructional program in each of those schools for at least 3 school years.

(3) A district seeking a grant under this section shall apply to the department in the form and manner prescribed by the department not later than December 1, ~~2018.~~ **2019.** The department shall select districts for grants and make notification not later than February 1, ~~2019.~~**2020.**

(4) The department shall award grants under this section on a competitive basis, but shall give priority based solely on consideration of the following criteria:

(a) Giving priority to districts that, in the immediately preceding fiscal year, had lower general fund balances as a percentage of revenues.

(b) Giving priority to districts that operate at least 1 school that has been identified by the department as either a priority school or a focus school.

(c) Ensuring that grant funding includes both rural and urban districts.

(5) The amount of a grant under this section to any 1 district ~~shall~~ **must** not exceed ~~$750,000.00.~~**$250,000.00.**

(6) A **district shall use a** grant payment under this section ~~to a district shall be used~~ for necessary modifications to instructional facilities and other nonrecurring costs of preparing for the operation of a balanced calendar instructional program as approved by the department.

(7) A district receiving a grant under this section is not required to provide more than the minimum number of days and hours of pupil instruction prescribed under section 101, but shall spread at least those minimum amounts of pupil instruction over the entire year in each of its schools in which a balanced calendar instructional calendar is implemented. The district shall commit to providing the balanced calendar instructional calendar in each of those schools for at least 3 school years.

(8) For a district receiving a grant under this section, excessive heat is considered to be a condition not within the control of school authorities for the purpose of days or hours being counted as days or hours of pupil instruction under section 101(4).

(9) Notwithstanding section 17b, **the department shall make** grant payments to districts under this section ~~shall be paid~~ on a schedule determined by the department.

Sec. 31d. (1) From the appropriations in section 11, there is allocated ~~an amount not to exceed $22,802,000.00 for 2017-2018 and there is allocated~~ an amount not to exceed $23,144,000.00 for ~~2018-2019~~ **2019-2020** for the purpose of making payments to districts and other eligible entities under this section.

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

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

(4) The payments made under this section to districts and other eligible entities that are not required under section 1272a of the revised school code, MCL 380.1272a, to provide a school lunch program ~~shall~~ **must** be in an amount not to exceed $10.00 per eligible pupil plus 5 cents for each free lunch and 2 cents for each reduced price lunch provided, as determined by the department.

(5) From the federal funds appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** all available federal funding, estimated at ~~$520,000,000.00~~ **$533,000,000.00** for the national school lunch program and all available federal funding, estimated at ~~$3,200,000.00~~ **$4,200,000.00** for the emergency food assistance program.

(6) Notwithstanding section 17b, **the department shall make** payments to eligible entities other than districts under this section ~~shall be paid~~ on a schedule determined by the department.

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

Sec. 31f. (1) From the appropriations in section 11, there is allocated an amount not to exceed $4,500,000.00 for ~~2018-2019~~ **2019-2020** for the purpose of making payments to districts to reimburse for the cost of providing breakfast.

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

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

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

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

(4) Notwithstanding section 17b, **the department may make** payments under this section ~~may be made~~ pursuant to an agreement with the department.

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

Sec. 31j. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~$575,000.00~~ **$2,000,000.00** for ~~2018-2019~~ **2019-2020** for a ~~pilot project~~ **program** to support districts **and sponsors of child care centers** in the purchase of locally grown fruits and vegetables as described in this section.

(2) ~~The department shall provide funding in an amount equal to $125,000.00 per region to districts in prosperity regions 2, 4, 6, and 9 for the pilot project described under this section. In addition, the department shall provide funding in an amount equal to $75,000.00 to districts in prosperity region 8 for the pilot project described under this section. From the funding to districts in subsection (1), funding~~ **Funding** retained by ~~prosperity regions~~ **districts or the sponsors of child care centers** that administer the ~~project shall~~ **program must** not exceed 10%, and funding retained by the department for administration ~~shall~~ **must** not exceed 6%. A ~~prosperity region~~ **district or the sponsor of a child care center** may enter into a memorandum of understanding with the department or another ~~prosperity region,~~ **district or sponsor of a child care center,** or both, to administer the ~~project.~~ **program.** If the department administers the ~~project~~ **program** for a ~~prosperity region,~~ **district or the sponsor of a child care center,** the department may retain up to 10% of that ~~prosperity region's~~ **district's or sponsor's** funding for administration **or may distribute some or all of that 10% to project partners as appropriate**.

(3) The department shall develop and implement a competitive grant program for districts ~~within the identified prosperity regions~~ **and sponsors of child care centers** to assist in paying for the costs incurred by the district **or the sponsor of the child care center** to purchase or increase purchases of whole or minimally

processed fruits, vegetables, and legumes grown in this state. The maximum amount that may be drawn down on a grant to a district ~~shall be~~ **or the sponsor of a child care center is** based on the number of meals served by the ~~school~~ district during the previous school year under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j **or meals served by the sponsor of the child care center in the previous school year**. The department shall collaborate with the Michigan department of agriculture and rural development to provide training to newly participating schools **and child care centers** and electronic information on Michigan agriculture.

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

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

(a) Are purchased on or after the date the district **or the sponsor** received notification from the department of the amount to be distributed to the district **or the sponsor** under this subsection, including purchases made to launch meals in September ~~2018~~ **2019** for the ~~2018-2019~~ **2019-2020** fiscal year.

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

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

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

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

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

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

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

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

(b) The variety of school **or child care center** sizes and geographic locations**.** ~~within the identified prosperity regions; and existing~~

(c) Existing or future collaboration opportunities between more than 1 district ~~in a prosperity region.~~**or child care center.**

(11) As a condition of receiving a grant under this section, a district **or the sponsor of a child care center** shall provide or direct its vendors to provide to ~~prosperity region offices~~ **the department** copies of monthly receipts that show the quantity of different Michigan-grown fruits, vegetables, and legumes purchased, the amount of money spent on each of these products, the name and Michigan location of the farm that grew the products, and the methods or plans to market and promote the program. The district ~~shall~~ **or the sponsor of a child care center** also **shall** provide to the ~~prosperity region~~ **department** monthly lunch numbers and lunch participation rates, and calendars or monthly menus noting when and how Michigan-grown products were used in meals. The district **or the sponsor of the child care center** and school **or child care center** food service director or directors also shall agree to respond to brief online surveys and to provide a report that shows the percentage relationship of Michigan spending compared to total food spending. Not later than March 1, ~~2019,~~ **2020,** each ~~prosperity region office, either on its own or in conjunction with another prosperity region,~~ **district or each sponsor of a child care center** shall submit a report to the department

on expected outcomes and related measurements for economic development and children's nutrition and readiness to learn based on progress so far. The report ~~shall~~ **must** include at least all of the following:

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

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

(*ii*) The ~~prosperity region office~~ **district or the sponsor of a child care center** shall use purchasing data collected for the ~~project~~ **program** and surveys of school **and child care** food service directors on the impact and success of the ~~project~~ **program** as the source for the data described in subparagraph (*i*).

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

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

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

(12) The department shall compile the reports provided by ~~prosperity region offices~~ **districts and sponsors of child care centers** under subsection (11) into 1 legislative report. The department shall provide this report not later than April 1, ~~2019~~ **2020** to the house and senate subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director.

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

Sec. 31n. (1) From the ~~school mental health and support services fund~~ money appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** for the purposes of this section an amount not to exceed $30,000,000.00 and from the general fund money appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** for the purposes of this section an amount not to exceed $1,300,000.00. ~~Not later than February 15, 2019, the~~ **The** department and the department of health and human services shall ~~establish~~ **continue** a program to distribute this funding to add licensed behavioral health providers for general education pupils, and shall **continue to** seek federal Medicaid match funding for all eligible mental health and support services.

(2) ~~Not later than February 15, 2019, the~~ **The** department and the department of health and human services shall ~~create~~ **maintain** an advisory council ~~and~~ **for programs funded under this section. The advisory council shall** define goals for implementation of programs funded under this section, and shall provide feedback on that implementation. At a minimum, the advisory council shall ~~include~~ **consist of** representatives of state associations representing school health, school mental health, school counseling, education, health care, and other organizations, representatives from the department and the department of health and human services, and a representative from the school safety task force created under Executive Order No. 2018-5. The department and department of health and human services, working with the advisory council, shall determine an approach to increase capacity for mental health and support services in schools for general education pupils, and shall determine where that increase in capacity qualifies for federal Medicaid match funding.

(3) The advisory council shall develop a fiduciary agent checklist for intermediate districts to facilitate development of a plan to submit to the department and to the department of health and human services. The department and department of health and human services shall determine the requirements and format for intermediate districts to submit a plan for possible funding under subsection (5). ~~Applications~~ **The department shall make applications** for funding for this program ~~shall be made~~ available to districts and intermediate districts not later than ~~March 1, 2019,~~ **December 1, 2019,** and **shall award the** funding ~~shall be awarded~~ not later than ~~April 1, 2019.~~**February 1, 2020.**

(4) ~~Not later than January 1, 2019, the~~ **The** department of health and human services shall seek to amend the state Medicaid plan or obtain appropriate Medicaid waivers as necessary for the purpose of generating additional Medicaid match funding for school mental health and support services for general education pupils. ~~It is the intent of the legislature~~ **The intent is** that a successful state plan amendment or other

Medicaid match mechanisms will result in additional federal Medicaid match funding for both the new funding allocated under this section and for any expenses already incurred by districts and intermediate districts for mental health and support services for general education pupils.

(5) From the funds allocated under subsection (1), there is allocated **for 2019-2020** an amount not to exceed ~~$5,000,000.00~~ **$6,500,000.00** to be distributed to the ~~existing~~ network of child and adolescent health centers to place a licensed master's level behavioral health provider in schools that do not currently have services available to general education students. Existing child and adolescent health centers receiving funding under this subsection shall provide a commitment to maintain services and implement all available federal Medicaid match methodologies. The department of health and human services shall use all existing or additional federal Medicaid match opportunities to maximize funding allocated under this subsection. ~~Funds~~ **The department shall provide funds** under this subsection ~~shall be provided~~ to existing child and adolescent health centers in the same proportion that funding under section 31a(7) is provided to child and adolescent health centers located and operating in those districts.

(6) From the funds allocated under subsection (1), there is allocated **for 2019-2020** an amount not to exceed ~~$16,500,000.00~~ **$23,000,000.00** to be distributed to intermediate districts for the provision of mental health and support services to general education students. From the funds allocated under this subsection, the department shall distribute ~~$294,500.00~~ **$410,700.00** to each intermediate district that submits a plan approved by the department and the department of health and human services. The department and department of health and human services shall work cooperatively in providing oversight and assistance to intermediate districts during the plan submission process and shall monitor the program upon implementation. An intermediate district shall use funds awarded under this subsection to provide funding to its constituent districts, including public school academies that are considered to be constituent districts under section 705(7) of the revised school code, MCL 380.705, for the provision of mental health and support services to general education students. In addition to the criteria identified under subsection (7), an intermediate district shall consider geography, cost, or other challenges when awarding funding to its constituent districts. If funding awarded to an intermediate district remains after funds are provided by the intermediate district to its constituent districts, the intermediate district may hire or contract for experts to provide mental health and support services to general education students residing within the boundaries of the intermediate district.

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

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

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

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

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

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

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

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

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

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

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

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

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

(9) Both of the following are allocated for ~~2018-2019~~ **2019-2020** to the department of health and human services from the general fund money allocated under subsection (1):

(a) An amount not to exceed $1,000,000.00 for the purpose of upgrading technology and systems infrastructure and other administrative requirements to support the programs funded under this section.

(b) An amount not to exceed $300,000.00 for the purpose of administering the programs under this section and working on generating additional Medicaid funds as a result of programs funded under this section.

(10) From the funds allocated under subsection (1), there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed $500,000.00 to intermediate districts on an equal per intermediate district basis for the purpose of administering programs funded under this section.

(11) The department and the department of health and human services shall work with the advisory council to develop proposed measurements of outcomes and performance. Those measurements shall include, at a minimum, the number of pupils served, the number of schools served, and where those pupils and schools were located. The department and the department of health and human services shall compile data necessary to measure outcomes and performance, and districts and intermediate districts receiving funding under this section shall provide data requested by the department and department of health and human services for the measurement of outcomes and performance. The department and department of health and human services shall provide a report not later than December 1, 2019 and by December 1 annually thereafter to the house and senate appropriations subcommittees on school aid and health and human services, and to the house and senate fiscal agencies. At a minimum, the report ~~shall~~ **must** include measurements of outcomes and performance, proposals to increase efficacy and usefulness, proposals to increase performance, and proposals to expand coverage.

~~(12) From the funds allocated in subsection (1), there is allocated for 2018-2019 an amount not to exceed $8,000,000.00 for the behavioral health team pilot program. The department shall award funds under this subsection to intermediate school districts to create school-based behavioral health assessment teams utilizing a "train the trainer" model of training that focuses on providing age-appropriate interventions, identifying behaviors that suggest a pupil may be struggling with mental health challenges, providing treatment and support of the pupil, and using disciplinary interventions and the criminal justice system as methods of last resort. The intermediate district may hire or contract with experts to provide training to intermediate district staff so that it may provide similar training for staff of the constituent districts. The department shall award the entire $8,000,000.00 allocated under this subsection by allocating an equal dollar amount to each intermediate district that has its application approved under subsection (13).~~

~~(13) An intermediate district shall apply for funds under subsection (12) in a form and manner determined by the department. The application shall include, but is not limited to, all of the following:~~

~~(a) A detailed plan on how the intermediate district will work with constituent districts to identify a behavioral health assessment team within each school to be trained under this pilot. The plan shall demonstrate that a behavioral health assessment team must consist of, but is not limited to, all of the following individuals:~~

~~(*i*) School administrators and teachers.~~

~~(*ii*) An individual whose primary purpose is ensuring safety in a school.~~

~~(*iii*) Pathways to potential workers, if the school participates in the pathways to potential program.~~

~~(*iv*) Local mental health agency representatives.~~

~~(*v*) Local law enforcement agency personnel.~~

~~(*vi*) If appropriate under the model being used, a pupil.~~

~~(b) Identification of a behavioral health assessment training implementation plan that shall include a description of how results of the training will be incorporated into administrative policies and a comprehensive school safety plan, including into a multi-tiered system of support.~~

~~(14) The funds allocated under this section for 2018-2019 are a work project appropriation, and any unexpended funds for 2018-2019 are carried forward into 2019-2020. The purpose of the work project is to continue to provide funding for the expansion of mental health and support services for general education students. The estimated completion date of the work project is September 30, 2022.~~

Sec. 32d. (1) From the funds appropriated in section 11, there is allocated to eligible intermediate districts and consortia of intermediate districts for great start readiness programs an amount not to exceed ~~$244,600,000.00~~ **$249,600,000.00** for ~~2018-2019. Funds~~ **2019-2020. An intermediate district or consortium shall use funds** allocated under this section for great start readiness programs ~~shall be used~~ to provide part-day, school-day, or GSRP/Head Start blended comprehensive free compensatory classroom programs designed to improve the readiness and subsequent achievement of educationally disadvantaged children who meet the participant eligibility and prioritization guidelines as defined by the department. For a child to be eligible to participate in a program under this section, the child ~~shall~~ **must** be at least 4, but less than 5, years of age as of September 1 of the school year in which the program is offered and ~~shall~~ **must** meet those eligibility and prioritization

guidelines. A child who is not 4 years of age as of September 1, but who will be 4 years of age not later than December 1, is eligible to participate if the child's parent or legal guardian seeks a waiver from the September 1 eligibility date by submitting a request for enrollment in a program to the responsible intermediate district, if the program has capacity on or after September 1 of the school year, and if the child meets eligibility and prioritization guidelines.

(2) From the funds allocated under subsection (1), an amount not to exceed ~~$242,600,000.00~~ **$247,600,000.00** is allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. In order to be eligible to receive funds allocated under this subsection from an intermediate district or consortium of intermediate districts, a district, a consortium of districts, or a public or private for-profit or nonprofit legal entity or agency shall comply with this section and section 39.

(3) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~$300,000.00 for 2018-2019~~ **$350,000.00 for 2019-2020** for a competitive grant to continue a longitudinal evaluation of children who have participated in great start readiness programs. **This evaluation must include a comparative analysis of the relationship between great start readiness programs and performance on the kindergarten readiness assessment funded under section 104. The evaluation must use children wait-listed under this section for comparison, must include a determination of the specific great start readiness program in which the kindergarten students were enrolled and attended in the previous school year, and must analyze Michigan kindergarten entry observation tool scores for students taking the Michigan kindergarten entry observation tool each year and produce a report as required under section 104. For 2019-2020, the performance data on the kindergarten readiness assessment must be submitted to the center at the same time as the Spring Michigan student data system collection. Beginning in 2020-2021, the performance data on the kindergarten readiness assessment must be submitted to the center at the same time as the Fall Michigan student data system collection. The responsibility for the analysis required under this subsection may be added to the requirements that the department currently has with its competitively designated current grantee.**

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Except as otherwise provided in this subdivision, ensure that at least 90% of the children participating in an eligible great start readiness program for whom the intermediate district is receiving funds under this section are children who live with families with a household income that is equal to or less than 250% of the federal poverty ~~level.~~ **guidelines.** If the intermediate district determines that all eligible children are being

served and that there are no children on the waiting list who live with families with a household income that is equal to or less than 250% of the federal poverty ~~level,~~ **guidelines,** the intermediate district may then enroll children who live with families with a household income that is equal to or less than 300% of the federal poverty ~~level.~~ **guidelines.** The enrollment process ~~shall~~ **must** consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subdivision, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education ~~plans~~ **programs** recommending placement in an inclusive preschool setting ~~shall be~~ **are** considered to live with families with household income equal to or less than 250% of the federal poverty ~~level~~ **guidelines** regardless of actual family income and ~~shall be~~ **are** prioritized for enrollment within the lowest quintile.

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

(*i*) Teachers possessing proper training. A lead teacher must have a valid teaching certificate with an early childhood (ZA or ZS) endorsement or a bachelor's or higher degree in child development or early childhood education with specialization in preschool teaching. However, if an applicant demonstrates to the department that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, teachers who have significant but incomplete training in early childhood education or child development may be used if the applicant provides to the department, and the department approves, a plan for each teacher to come into compliance with the standards in this subparagraph. A teacher's compliance plan must be completed within 2 years of the date of employment. Progress toward completion of the compliance plan ~~shall consist~~ **consists** of at least 2 courses per calendar year.

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

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

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

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

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

(9) An intermediate district or consortium of intermediate districts may retain for administrative services provided by the intermediate district or consortium of intermediate districts an amount not to exceed 4% of the grant amount. Expenses incurred by subrecipients engaged by the intermediate district or consortium of intermediate districts for directly running portions of the program ~~shall be~~ **are** considered program costs or a contracted program fee for service.

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

(11) Each grant recipient shall enroll children identified under subsection (5)(b) according to how far the child's household income is below 250% of the federal poverty ~~level~~ **guidelines** by ranking each applicant child's household income from lowest to highest and dividing the applicant children into quintiles based on how far the child's household income is below 250% of the federal poverty ~~level,~~ **guidelines,** and then enrolling children in the quintile with the lowest household income before enrolling children in the quintile with the next lowest household income until slots are completely filled. If the grant recipient determines that

all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than 250% of the federal poverty ~~level,~~ **guidelines,** the grant recipient may then enroll children who live with families with a household income that is equal to or less than 300% of the federal poverty ~~level.~~ **guidelines.** The enrollment process ~~shall~~ **must** consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this ~~subdivision,~~ **subsection,** all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education ~~plans~~ **programs** recommending placement in an inclusive preschool setting ~~shall be~~ **are** considered to live with families with household income equal to or less than 250% of the federal poverty ~~level~~ **guidelines** regardless of actual family income and ~~shall be~~ **are** prioritized for enrollment within the lowest quintile.

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

(13) An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total allocation. For the purposes of this 30% allocation, an intermediate district or consortium of intermediate districts may count children served by a Head Start grantee or delegate in a blended Head Start and great start readiness school-day program. Children served in a program funded only through Head Start ~~shall not be~~ **are not** counted toward this 30% allocation. The intermediate district or consortium shall report to the department, in a manner prescribed by the department, a detailed list of community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district, and the number and proportion of its total allocation allocated to each provider as subrecipient. If the intermediate district or consortium is not able to contract for at least 30% of its total allocation, the grant recipient shall notify the department and, if the department verifies that the intermediate district or consortium attempted to contract for at least 30% of its total allocation and was not able to do so, then the intermediate district or consortium may retain and use all of its allocation as provided under this section. To be able to use this exemption, the intermediate district or consortium shall demonstrate to the department that the intermediate district or consortium increased the percentage of its total allocation for which it contracts with a community-based provider and the intermediate district or consortium shall submit evidence satisfactory to the department, and the department must be able to verify this evidence, demonstrating that the intermediate district or consortium took measures to contract for at least 30% of its total allocation as required under this subsection, including, but not limited to, at least all of the following measures:

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

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

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

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

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

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

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

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

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

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

(17) As used in this section:

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

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

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

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

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

(19) From the amount ~~appropriated~~ **allocated** in subsection ~~(1),~~ **(2),** there is allocated **for 2019-2020** an amount not to exceed $10,000,000.00 for reimbursement of transportation costs for children attending great start readiness programs funded under this section. To receive reimbursement under this subsection, not later than November 1, ~~2018,~~ **of each year,** a program funded under this section that provides transportation shall submit to the intermediate district that is the fiscal agent for the program a projected transportation budget. The amount of the reimbursement for transportation under this subsection ~~shall be~~ **is** no more than the projected transportation budget or $300.00 multiplied by the number of children funded for the program under this section. If the amount allocated under this subsection is insufficient to fully reimburse the transportation costs for all programs that provide transportation and submit the required information, **the department shall prorate** the reimbursement ~~shall be prorated~~ in an equal amount per child funded. ~~Payments shall be made~~ **The department shall make payments** to the intermediate district that is the fiscal agent for each program, and the intermediate district shall then reimburse the program provider for transportation costs as prescribed under this subsection.

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

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

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

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

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

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

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

(24) From the funds allocated under subsection (1), there is allocated **for 2019-2020** an amount not to exceed $2,000,000.00 for payments to intermediate districts or consortia of intermediate districts for professional development and training materials for educators in programs implementing new curricula**.** ~~in 2019-2020.~~

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

Sec. 32p. (1) From the appropriation in section 11, there is allocated an amount not to exceed $13,400,000.00 to intermediate districts for ~~2018-2019~~ **2019-2020** for the purpose of providing early childhood funding to intermediate school districts to support the activities under subsection (2) and subsection (4), and to provide early childhood programs for children from birth through age 8. The funding provided to each intermediate district under this section ~~shall be~~ **is** determined by the distribution formula established by the department's office of great start to provide equitable funding statewide. In order to receive funding under this section, each intermediate district shall provide an application to the office of great start not later than September 15 of the immediately preceding fiscal year indicating the activities planned to be provided.

(2) Each intermediate district or consortium of intermediate districts that receives funding under this section shall convene a local great start collaborative and a parent coalition. The goal of each great start collaborative and parent coalition ~~shall be~~ **is** to ensure the coordination and expansion of local early childhood infrastructure and programs that allow every child in the community to achieve the following outcomes:

(a) Children born healthy.

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

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

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

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

(a) Physical health.

(b) Social-emotional health.

(c) Family supports and basic needs.

(d) Parent education.

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

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

(5) Not later than December 1 of each year, each intermediate district shall provide a report to the department detailing the activities actually provided during the immediately preceding school year and the families and children actually served. At a minimum, the report ~~shall~~ **must** include an evaluation of the

services provided with additional funding under subsection (4) for home visits, using the goals identified in subsection (4) as the basis for the evaluation, including the degree to which school readiness was improved, any change in the number of pupils retained at grade level, ~~and~~ any change in the number of pupils receiving special education services**, the degree to which positive parenting practices were improved, the degree to which there was improved family economic self-sufficiency, and the degree to which community resources and referrals were utilized**. The department shall compile and summarize these reports and submit its summary to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies not later than February 15 of each year.

(6) An intermediate district or consortium of intermediate districts that receives funding under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds through June 30 of the next fiscal year. A recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 of the next fiscal year after the fiscal year in which the funds are received.

Sec. 35a. (1) From the appropriations in section 11, there is allocated for ~~2018-2019~~ **2019-2020** for the purposes of this section an amount not to exceed ~~$27,900,000.00~~ **$57,200,000.00** from the state school aid fund and an amount not to exceed ~~$3,500,000.00~~ **$3,000,000.00** from the ~~general~~ **talent investment** fund. The superintendent shall designate staff or contracted employees funded under this section as critical shortage. Programs funded under this section are intended to ensure that this state will be ~~in the top 10 most improved states in grade 4 reading proficiency by the 2019 National Assessment of Educational Progress (NAEP) and will be in the~~ **a** top 10 ~~states overall~~ **state** in grade 4 reading proficiency by 2025 **according to the National Assessment of Educational Progress (NAEP)**.

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

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

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

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

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

(d) Comprehension - making meaning of text.

(4) From the allocations under subsection (1), there is allocated an amount not to exceed ~~$7,000,000.00~~ **$21,000,000.00** for ~~2018-2019~~ **2019-2020** for the purpose of providing early literacy coaches at intermediate districts to assist teachers in developing and implementing instructional strategies for pupils in grades K to 3 so that pupils are reading at grade level by the end of grade 3. All of the following apply to funding under this subsection:

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

(*i*) Current state literacy standards for pupils in grades K to 3.

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

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

(b) From the allocation under this subsection, the department shall award grants to intermediate districts for the support of early literacy coaches. An intermediate district must provide matching funds for at least 50% of the grant amount awarded to support the cost of the literacy coach. The department shall provide this funding in the following manner:

(*i*) ~~Each~~ **The department shall award each** intermediate district ~~shall be awarded~~ grant funding to support the cost of 1 early literacy coach in an equal amount per early literacy coach, not to exceed $75,000.00.

(*ii*) After distribution of the grant funding under subparagraph (*i*), the department shall distribute the remainder of grant funding for additional early literacy coaches in an amount not to exceed $75,000.00 per early literacy coach. The number of funded early literacy coaches for each intermediate district ~~shall be~~ **is** based on the percentage of the total statewide number of pupils in grades K to 3 who meet the income eligibility standards for the federal free and reduced-price lunch programs who are enrolled in districts in the intermediate district. For each additional early literacy coach funded under this subparagraph, the department shall not make an award to an intermediate district under this subparagraph in an amount that is less than the amount necessary to pay 1/2 of the total cost of that additional early literacy coach.

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

(5) From the allocations under subsection (1), there is allocated an amount not to exceed $19,900,000.00 for ~~2018-2019~~ **2019-2020** to districts that provide additional instructional time to those pupils in grades K to 3 who have been identified by using department-approved screening and diagnostic tools as needing additional supports and interventions in order to be reading at grade level by the end of grade 3. Additional instructional time may be provided before, during, and after regular school hours or as part of a year-round balanced school calendar. All of the following apply to funding under this subsection:

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

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

(A) Team-based leadership.

(B) A tiered delivery system.

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

(D) A comprehensive screening and assessment system.

(E) Continuous data-based decision making.

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

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

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

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

(b) ~~Funding~~ **The department shall distribute funding** allocated under this subsection ~~shall be distributed~~ to eligible districts on an equal per-first-grade-pupil basis.

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

(6) Not later than September 1, ~~2019,~~ **of each year,** a district that receives funding under ~~this section,~~ **subsection (4), (5), or (11),** in conjunction with the Michigan data hub network, if possible, shall provide to the department a report that includes at least both of the following, in a form and manner prescribed by the department:

(a) For pupils in grades K to 3, the pupils, schools, and grades served with funds under this section and the categories of services provided.

(b) For pupils in grades K to 3, pupil proficiency and growth data that allows analysis both in the aggregate and by each of the following subgroups, as applicable:

(*i*) School.

(*ii*) Grade level.

(*iii*) Gender.

(*iv*) Race.

(*v*) Ethnicity.

(*vi*) Economically disadvantaged status.

(*vii*) Disability.

(*viii*) Pupils identified as having reading deficiencies.

(7) From the ~~general~~ **talent investment** fund money allocated in subsection (1), the department shall allocate the amount of $3,000,000.00 for ~~2018-2019~~ **2019-2020 only** to the Michigan Education Corps for

the PreK Reading Corps, the K3 Reading Corps, and the Math Corps. All of the following apply to funding under this subsection:

(a) By September 1 of the current fiscal year, the Michigan Education Corps shall provide a report concerning its use of the funding to the senate and house appropriations subcommittees on state school aid, the senate and house fiscal agencies, and the senate and house caucus policy offices on outcomes and performance measures of the Michigan Education Corps, including, but not limited to, the degree to which the Michigan Education Corps's replication of the Michigan PreK Reading Corps, K3 Reading Corps, and Math Corps programs is demonstrating sufficient efficacy and impact. The report must include data pertaining to at least all of the following:

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

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

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

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

(B) Average linear growth rates.

(C) Exit rates.

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

(*iv*) The impact of the programs on organizations and stakeholders, including, but not limited to, school administrators, internal coaches, and AmeriCorps members.

(b) If the department determines that the Michigan Education Corps has misused the funds allocated under this subsection, the Michigan Education Corps shall reimburse this state for the amount of state funding misused.

(c) The department may not reserve any portion of the allocation provided under this subsection for an evaluation of the Michigan Education Corps, the Michigan Education Corps' funding, or the Michigan Education Corps' programming unless agreed to in writing by the Michigan Education Corps. The department shall award the entire $3,000,000.00 allocated under this subsection to the Michigan Education Corps and shall not condition the awarding of this funding on the implementation of an independent evaluation.

~~(8) From the general fund money allocated under subsection (1), there is allocated an amount not to exceed $500,000.00 for 2018-2019 for a grant to an eligible program that has a goal to slow or prevent the K to 4 summer reading slide among all pupils enrolled in grades K to 4, particularly those from economically disadvantaged households. Funds allocated under this subsection are grant funds and must be distributed by the department. A program is eligible if it meets at least all of the following:~~

~~(a) The program's objective is to deliver a bilingual, in-home, individualized summer reading program consisting of self-selected, independent reading level books to K to 4 pupils each week during the summer.~~

~~(b) Is evaluated quantitatively and qualitatively using pre- and post-standardized test score comparison and parent and school surveys specific to each district.~~

~~(c) Incorporates at least weekly interactive parental and family engagement during the summer.~~

~~(d) Builds on pedagogical and literacy principles to scaffold fluency to improve reading comprehension with pupil exercises.~~

~~(e) Provides at least 4, and up to 9, student-selected new books to read and keep.~~

~~(f) Collects, analyzes, and reports detailed data on parental engagement, books read, and spring-to-fall reading scores.~~

~~(g) Follows the department's top 10 in 10 goals and strategies, with an emphasis on goals 4 and 5.~~

~~(h) Focuses on in-home program delivery through weekly mailings.~~

~~(i) Provides summary data to the legislature and to the department for all pupils served by the program after each summer.~~

(8) ~~(9)~~ From the state school aid fund money allocated under subsection (1), there is allocated an amount not to exceed $1,000,000.00 for ~~2018-2019~~ **2019-2020** to an intermediate district in which the combined total number of pupils in membership of all of its constituent districts is the fewest among all intermediate districts. All of the following apply to the funding under this subsection:

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

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

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

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

(9) The intermediate district described in subsection (8), in partnership with an association that represents intermediate district administrators in this state, shall use not more than $300,000.00 of the state school aid fund money allocated in subsection (1) for the purpose of providing literacy training, modeling, coaching, and feedback for district and public school academy principals. The training must use the pre-K and K-3 essential instructional practices in literacy created by the General Education Leadership Network as the framework for all training. Training must be provided in 5 regions in the state to provide easy access for all principals. In addition, training must be competency-based and must lead to both credit toward required continuing education hours and a micro-credential in literacy instruction.

(10) If a district or intermediate district expends any funding received under subsection (4) or (5) for professional development in research-based effective reading instruction, the district or intermediate district shall select a professional development program from the list described under subdivision (a). All of the following apply to the requirement under this subsection:

(a) The department shall issue a request for proposals for professional development programs in research-based effective reading instruction to develop an initial approved list of professional development programs in research-based effective reading instruction. The department shall complete and make the initial approved list public not later than December 1, 2019. After December 1, 2019, the department shall determine if it will, on a rolling basis, approve any new proposals submitted for addition to its initial approved list.

(b) To be included as an approved professional development program in research-based effective reading instruction under subdivision (a), an applicant must demonstrate to the department in writing the program's competency in all of the following topics:

(*i*) Understanding of phonemic awareness, phonics, fluency, vocabulary, and comprehension.

(*ii*) Appropriate use of assessments and differentiated instruction.

(*iii*) Selection of appropriate instructional materials.

(*iv*) Application of research-based instructional practices.

(c) As used in this subsection, "effective reading instruction" means reading instruction scientifically proven to result in improvement in pupil reading skills.

(11) From the money allocated under subsection (1), there is allocated for 2019-2020 only an amount not to exceed $15,000,000.00 for a summer school reading program for grade 3 pupils who did not score at least proficient on the English language arts portion of the Michigan student test of educational progress (M-STEP) and for pupils in grades K to 2 who are not reading at grade level. All of the following apply to the funding allocated under this subsection:

(a) To be eligible for funding under this subsection, a district must apply in a form and manner determined by the department by not later than December 15, 2019.

(b) The department shall award funding under this subsection not later than March 15, 2020.

(c) The amount of funding to each eligible district is equal to the quotient of $15,000,000.00 divided by the sum of the number of pupils determined by the department to have scored less than proficient on the English language arts portion of the 2019 grade 3 Michigan student test of educational progress (M-STEP) among all of the districts that apply and are eligible for funding for a summer school reading program under this subsection.

(d) A district that is awarded funding under this subsection must agree to use the funding for 3 summer school reading programs over 3 fiscal years.

(e) A district that is awarded funding under this subsection must prioritize its summer school reading program toward grade 3 pupils who scored less than proficient on the English language arts portion of the Michigan student test of educational progress (M-STEP), but may extend the program to any pupil in grades K to 2 who is not reading at grade level if the program has capacity.

(12) ~~(10)~~ Notwithstanding section 17b, **the department shall make** payments made under ~~subsection (9) shall be made not later than March 1, 2019.~~**subsections (7), (8), (9), and (11) on a schedule determined by the department.**

Sec. 35b. (1) From the general fund money appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020 only** an amount not to exceed ~~$250,000.00~~ **$350,000.00** for a grant to be distributed by the

department to the Children's Choice Initiative to create a pilot program to use a multisensory structured language education method to improve reading proficiency rates and to comply with section 1280f of the revised school code, MCL 380.1280f.

(2) Grant funds awarded under this section must be expended for the following purposes:

(a) Professional development including training staff and tutors in a multisensory, sequential, systematic education approach.

(b) Additional instructional time before, during, or after school for pupils in grades K to 3 identified as having an early literacy delay or reading deficiency using a multisensory, sequential, systematic education approach.

(3) Not later than December 1, 2020, an entity that receives grant funds under this section shall report to the house and senate appropriations subcommittees on school aid, the house and senate fiscal agencies, and the state budget director on all of the following for the grant funds awarded under this section:

(a) The number of staff and tutors trained.

(b) The number of pupils in grades K to 3 identified as having an early literacy delay or reading deficiency served.

(c) The number of hours of added instructional time provided to pupils served.

(d) Pupil reading proficiency and growth data of pupils served **as** necessary to evaluate the effectiveness of the program.

Sec. 35c. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed $300,000.00 for 2019-2020 only for a grant to be distributed by the department to an eligible district to create a pilot program to use a multisensory structured reading instruction professional development program to improve reading proficiency rates.

(2) A district is eligible for a grant under this section if the district meets all of the following:

(a) The district partners with a multisensory, structured reading instruction professional development program that meets all of the following:

(*i*) Is based in Michigan.

(*ii*) Has 20 or more years of experience in reading instruction.

(*iii*) Has trained at least 100,000 teachers in reading instruction.

(*iv*) Has at least 25 training instructors with at least a master's degree who are certified on the Knowledge and Practice Examination for Effective Reading Instruction through the Center for Effective Reading Instruction.

(*v*) Provides training in more than 40 states.

(*vi*) Offers graduate-level credits through a regionally accredited university.

(b) The district partners with the program described in subdivision (a) to provide multisensory structured reading instruction professional development for staff in grades K to 3 general education or grades K to 12 special education, or both.

(3) A district may expend grant funds awarded under this section, in collaboration with the multisensory structured reading instruction professional development program described in subsection (2), for the following purposes:

(a) Professional development, including training staff in the multisensory, sequential, systematic education approach used by the program.

(b) Multisensory, sequential, systematic education approach teaching materials for pupils in grades K to 3 general education or K to 12 special education, or both.

(4) Not later than December 1, 2021, a district that receives grant funds under this section shall report to the house and senate appropriations subcommittees on school aid, the house and senate fiscal agencies, and the state budget director on all of the following for the grant funds awarded under this section:

(a) The number of staff trained.

(b) The number of general education and special education pupils served, including the number of pupils identified as having an early literacy delay or reading deficiency.

(c) The number of hours of added instructional time provided to the pupils served.

(d) Pupil reading proficiency and growth data of pupils served as necessary to evaluate the effectiveness of the program.

Sec. 35d. (1) From the general fund money appropriated in section 11, there is allocated for 2019-2020 only an amount not to exceed $500,000.00 for a competitive grant for an intermediate district to implement a social-emotional learning pilot program. The department shall determine the process for application and criteria for awarding the grant.

(2) An intermediate district that is awarded a grant under this section shall do all of the following in implementing the pilot program:

(a) Conduct the pilot program in 5 districts, at least 1 of which is an urban district, at least 1 of which is a suburban district, and at least 1 of which is a rural district.

(b) Provide training to teachers and building-level administrators on coaching and feedback techniques on the topic of social-emotional learning experiences.

(3) The department shall conduct a survey of the districts in the social-emotional learning pilot program before and after implementation of the social-emotional learning pilot program in order to measure the impact of the pilot program.

(4) The department shall provide to the house and senate appropriations subcommittees on school aid and the house and senate fiscal agencies a report that contains the results of the survey under subsection (3) and an evaluation of the strengths, weaknesses, and effectiveness of the pilot program.

(5) The department may withhold for the administration of this section an amount not to exceed 5% of the funds allocated under this section.

Sec. 39. (1) An eligible applicant receiving funds under section 32d shall submit an application, in a form and manner prescribed by the department, by a date specified by the department in the immediately preceding ~~state~~ fiscal year. ~~The application shall not require an~~ **An** eligible applicant **is not required** to amend the applicant's current accounting cycle or adopt this state's fiscal year accounting cycle in accounting for financial transactions under this section. The application ~~shall~~ **must** include all of the following:

(a) ~~For 2018-2019 calculations, the~~ **The** estimated total number of children in the community who meet the criteria of section 32d, as provided to the applicant by the department utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. ~~Beginning in 2018-2019, the~~ **The** department shall ensure that it provides updated American Community Survey population data at least once every 3 years.

(b) The estimated number of children in the community who meet the criteria of section 32d and are being served exclusively by Head Start programs operating in the community.

(c) The number of children whom the applicant has the capacity to serve who meet the criteria of section 32d including a verification of physical facility and staff resources capacity.

(2) After notification of funding allocations, an applicant receiving funds under section 32d shall also submit an implementation plan for approval, in a form and manner prescribed by the department, by a date specified by the department, that details how the applicant complies with the program components established by the department pursuant to section 32d.

(3) The initial allocation to each eligible applicant under section 32d ~~shall be~~ **is** the lesser of the following:

(a) The sum of the number of children served in a school-day program in the preceding school year multiplied by $7,250.00 and the number of children served in a GSRP/Head Start blended program or a part-day program in the preceding school year multiplied by $3,625.00.

(b) The sum of the number of children the applicant has the capacity to serve in ~~2018-2019~~ **the current school year** in a school-day program multiplied by $7,250.00 and the number of children served in a GSRP/Head Start blended program or a part-day program the applicant has the capacity to serve in ~~2018-2019~~ **the current school year** multiplied by $3,625.00.

(4) If funds remain after the allocations under subsection (3), the department shall distribute the remaining funds to each intermediate district or consortium of intermediate districts that serves less than the state percentage benchmark determined under subsection (5). ~~These~~ **The department shall distribute these** remaining funds ~~shall be distributed~~ to each eligible applicant based upon each applicant's proportionate share of the remaining unserved children necessary to meet the statewide percentage benchmark in intermediate districts or consortia of intermediate districts serving less than the statewide percentage benchmark. When all applicants have been given the opportunity to reach the statewide percentage benchmark, the statewide percentage benchmark may be reset, as determined by the department, until greater equity of opportunity to serve eligible children across all intermediate school districts has been achieved.

(5) For the purposes of subsection (4), ~~for the 2018-2019 program year,~~ the department shall calculate a percentage of children served by each intermediate district or consortium of intermediate districts by dividing the number of children served in the immediately preceding year by that intermediate district or consortium by the total number of children within the intermediate district or consortium of intermediate districts who meet the criteria of section 32d as determined by the department utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department shall compare the resulting percentage of eligible children served to a statewide percentage benchmark to determine if the intermediate district or consortium is eligible for additional funds under subsection (4). ~~For 2018-2019, the~~ **The** statewide percentage benchmark is 60%.

(6) If, taking into account the total amount to be allocated to the applicant as calculated under this section, an applicant determines that it is able to include additional eligible children in the great start readiness program without additional funds under section 32d, the applicant may include additional eligible children but ~~shall~~ **does** not receive additional funding under section 32d for those children.

(7) The department shall review the program components under section 32d and under this section at least biennially. The department also shall convene a committee of internal and external stakeholders at least once every 5 years to ensure that the funding structure under this section reflects current system needs under section 32d.

(8) As used in this section, "school-day program", "GSRP/Head Start blended program", and "part-day program" mean those terms as defined in section 32d.

Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** to districts, intermediate districts, and other eligible entities all available federal funding, estimated at ~~$730,600,000.00~~ **$725,600,000.00** for the federal programs under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95. These funds are allocated as follows:

(a) An amount estimated at $1,200,000.00 for ~~2018-2019~~ **2019-2020** to provide students with drug- and violence-prevention programs and to implement strategies to improve school safety, funded from DED-OESE, drug-free schools and communities funds.

(b) An amount estimated at $100,000,000.00 for ~~2018-2019~~ **2019-2020** for the purpose of preparing, training, and recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving teacher quality funds.

(c) An amount estimated at $11,000,000.00 for ~~2018-2019~~ **2019-2020** for programs to teach English to limited English proficient (LEP) children, funded from DED-OESE, language acquisition state grant funds.

(d) An amount estimated at $2,800,000.00 for ~~2018-2019~~ **2019-2020** for rural and low income schools, funded from DED-OESE, rural and low income school funds.

(e) An amount estimated at $535,000,000.00 for ~~2018-2019~~ **2019-2020** to provide supplemental programs to enable educationally disadvantaged children to meet challenging academic standards, funded from DED-OESE, title I, disadvantaged children funds.

(f) An amount estimated at $9,200,000.00 for ~~2018-2019~~ **2019-2020** for the purpose of identifying and serving migrant children, funded from DED-OESE, title I, migrant education funds.

(g) An amount estimated at $39,000,000.00 for ~~2018-2019~~ **2019-2020** for the purpose of providing high-quality extended learning opportunities, after school and during the summer, for children in low-performing schools, funded from DED-OESE, twenty-first century community learning center funds.

(h) An amount estimated at $12,000,000.00 for ~~2018-2019~~ **2019-2020** to help support local school improvement efforts, funded from DED-OESE, title I, local school improvement grants.

(i) An amount estimated at $15,400,000.00 for ~~2018-2019~~ **2019-2020** to improve the academic achievement of students, funded from DED-OESE, title IV, student support and academic enrichment grants.

~~(j) An amount estimated at $5,000,000.00 for 2018-2019 for the remaining balance of the amount appropriated under the former section 32r, for federal funding awarded to this state under sections 14005, 14006, and 14013 of title XIV of the American recovery and reinvestment act of 2009, Public Law 111-5, for the race to the top early learning challenge grant.~~

(2) From the federal funds appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** to districts, intermediate districts, and other eligible entities all available federal funding, estimated at ~~$51,200,000.00 for 2018-2019~~ **$49,100,000.00 for 2019-2020** for the following programs that are funded by federal grants:

(a) An amount estimated at $100,000.00 for ~~2018-2019~~ **2019-2020** for acquired immunodeficiency syndrome education grants, funded from HHS – Centers for Disease Control and Prevention, AIDS funding.

(b) An amount estimated at $1,900,000.00 for ~~2018-2019~~ **2019-2020** to provide services to homeless children and youth, funded from DED-OVAE, homeless children and youth funds.

(c) An amount estimated at $4,000,000.00 for ~~2018-2019~~ **2019-2020** to provide mental health, substance abuse, or violence prevention services to students, funded from HHS-SAMHSA.

(d) An amount estimated at $24,000,000.00 for ~~2018-2019~~ **2019-2020** for providing career and technical education services to pupils, funded from DED-OVAE, basic grants to states.

(e) An amount estimated at $14,000,000.00 for ~~2018-2019~~ **2019-2020** for the Michigan charter school subgrant program, funded from DED–OII, public charter schools program funds.

(f) An amount estimated at ~~$7,200,000.00 for 2018-2019~~ **$5,100,000.00 for 2019-2020** for the purpose of promoting and expanding high-quality preschool services, funded from HHS–OCC, preschool development funds.

(3) ~~All~~ **The department shall distribute all** federal funds allocated under this section ~~shall be distributed~~ in accordance with federal law and with flexibility provisions outlined in Public Law 107-116, and in the education flexibility partnership act of 1999, Public Law 106-25. Notwithstanding section 17b, **the department shall make** payments of federal funds to districts, intermediate districts, and other eligible entities under this section ~~shall be paid~~ on a schedule determined by the department.

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

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

(6) As used in this section:

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

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

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

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

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

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

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

Sec. 41. (1) For a district or public school academy to be eligible to receive funding under this section, the district or public school academy must administer to English language learners the English language proficiency assessment known as the "WIDA ACCESS for English language learners" or the "WIDA Alternate ACCESS". From the appropriation in section 11, there is allocated an amount not to exceed ~~$6,000,000.00~~ **$13,000,000.00** for ~~2018-2019~~ **2019-2020** for payments to eligible districts and eligible public school academies for services for English language learners who have been administered the WIDA ACCESS for English language learners.

(2) ~~Funding~~ **The department shall distribute funding** allocated under ~~this section shall be distributed~~ **subsection (1)** to eligible districts and eligible public school academies based on the number of full-time equivalent English language learners as follows:

(a) ~~$620.00~~ **$900.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as applicable to each assessment.

(b) ~~$410.00~~ **$620.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as applicable to each assessment.

(c) $100.00 per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less, as applicable to each assessment.

(3) If funds allocated under ~~this section~~ **subsection (1)** are insufficient to fully fund the payments as prescribed under subsection (2), **the department shall prorate** payments ~~shall be prorated~~ on an equal percentage basis, with the same percentage proration applied to ~~both~~ **all** funding categories.

(4) Each district or public school academy receiving funds under ~~this section~~ **subsection (1)** shall submit to the department by July 15 of each fiscal year a report, not to exceed 10 pages, on the usage by the district or public school academy of funds under ~~this section,~~ **subsection (1)** in a form and manner determined by the department, ~~which shall include~~ **including** a brief description of each program conducted or services performed by the district or public school academy using funds under ~~this section~~ **subsection (1)** and the amount of funds under ~~this section~~ **subsection (1)** allocated to each of those programs or services. If a district or public school academy does not comply with this ~~section,~~ **subsection,** the department shall withhold an amount equal to the August payment due under this section until the district or public school academy complies with this subsection. If the district or public school academy does not comply with this ~~section~~ **subsection** by the end of the state fiscal year, the withheld funds ~~shall be~~ **are** forfeited to the school aid fund.

(5) In order to receive funds under this ~~section,~~ **subsection (1),** a district or public school academy shall allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district or public school academy shall reimburse this state for all disallowances found in the audit.

(6) Beginning July 1, 2020, and every 3 years thereafter, the department shall review the per-pupil distribution under subsection (2), to ensure that funding levels are appropriate and make recommendations for adjustments to the members of the senate and house subcommittees on K-12 school aid appropriations.

(7) In addition to the money allocated under subsection (1), from the talent investment fund money appropriated under section 11, there is allocated for 2019-2020 only an amount not to exceed $3,000,000.00 for 1-time payments to districts and public school academies for capital improvements in support of programming and instruction for English language learners. The department shall make

payments to districts and public school academies in the same proportion of the total amount allocated under this subsection as the amount of the district's or public school academy's payment under subsection (2) represents compared to the total payments made under subsection (2).

Sec. 51a. (1) From the appropriation in section 11, there is allocated an amount not to exceed ~~$960,446,100.00 for 2017-2018~~ **$1,008,996,100.00 for 2018-2019** and there is allocated an amount not to exceed ~~$983,196,100.00 for 2018-2019~~ **$1,045,196,100.00 for 2019-2020** from state sources and all available federal funding under sections 611 to 619 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at $370,000,000.00 each fiscal year for ~~2017-2018~~ **2018-2019** and for ~~2018-2019,~~ **2019-2020,** plus any carryover federal funds from previous year appropriations. In addition, from the general fund appropriation in section 11, there is allocated to the department an amount not to exceed $500,000.00 ~~for each fiscal year for 2017-2018 and~~ for 2018-2019 for the purpose of subsection (16). The allocations under this subsection are for the purpose of reimbursing districts and intermediate districts for special education programs, services, and special education personnel as prescribed in article 3 of the revised school code, MCL 380.1701 to 380.1761; net tuition payments made by intermediate districts to the Michigan Schools for the Deaf and Blind; and special education programs and services for pupils who are eligible for special education programs and services according to statute or rule. For meeting the costs of special education programs and services not reimbursed under this article, a district or intermediate district may use money in general funds or special education funds, not otherwise restricted, or contributions from districts to intermediate districts, tuition payments, gifts and contributions from individuals or other entities, or federal funds that may be available for this purpose, as determined by the intermediate district plan prepared ~~pursuant to~~ **under** article 3 of the revised school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b, **the department shall make** payments of federal funds to districts, intermediate districts, and other eligible entities under this section ~~shall be paid~~ on a schedule determined by the department.

(2) From the funds allocated under subsection (1), there is allocated the amount necessary, ~~and~~ estimated at ~~$266,900,000.00 for 2017-2018~~ **$286,800,000.00 for 2018-2019** and estimated at ~~$273,100,000.00 for 2018-2019,~~ **$297,800,000.00 for 2019-2020,** for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Allocations under this subsection ~~shall be~~ **are** made as follows:

(a) The **department shall calculate the** initial amount allocated to a district under this subsection toward fulfilling the specified percentages ~~shall be calculated~~ by multiplying the district's special education pupil membership, excluding pupils described in subsection (11), times the foundation allowance under section 20 of the pupil's district of residence**,** ~~plus the amount of the district's per-pupil allocation under section 20m,~~ not to exceed the basic foundation allowance under section 20 for the ~~current~~ **2018-2019** fiscal year **and beginning with 2019-2020 not to exceed the target foundation allowance for the current fiscal year**, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages ~~shall be~~ **is** an amount per special education membership pupil, excluding pupils described in subsection (11), and ~~shall be~~ **is** calculated in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the basic foundation allowance under section 20 for the ~~current~~ **2018-2019** fiscal year ~~, and that district's per-pupil allocation under section 20m.~~**and beginning with 2019-2020 not to exceed the target foundation allowance for the current fiscal year.**

(b) After the allocations under subdivision (a), ~~districts and intermediate districts~~ **the department shall pay a district or intermediate district** for which the payments calculated under subdivision (a) do not fulfill the specified percentages ~~shall be paid~~ the amount necessary to achieve the specified percentages for the district or intermediate district.

(3) From the funds allocated under subsection (1), there is allocated for ~~2017-2018~~ **2018-2019** an amount not to exceed ~~$1,300,000.00~~ **$1,200,000.00** and there is allocated **for 2019-2020** an amount not to exceed ~~$1,300,000.00 for 2018-2019~~ **$1,000,000.00** to make payments to districts and intermediate districts under this subsection. If the amount allocated to a district or intermediate district for a fiscal year under subsection (2)(b) is less than the sum of the amounts allocated to the district or intermediate district for 1996-97 under sections 52 and 58, there is allocated to the district or intermediate district for the fiscal year an amount equal to that difference, adjusted by applying the same proration factor that was used in the distribution of funds under section 52 in 1996-97 as adjusted to the district's or intermediate district's necessary costs of special education used in calculations for the fiscal year. This adjustment is to reflect reductions in special education program operations or services between 1996-97 and subsequent fiscal years. ~~Adjustments~~ **The department shall make adjustments** for reductions in special education program operations or services ~~shall be made~~ in a manner determined by the department and shall include adjustments for program or service shifts.

(4) If the department determines that the sum of the amounts allocated for a fiscal year to a district or intermediate district under subsection (2)(a) and (b) is not sufficient to fulfill the specified percentages in subsection (2), then the **department shall pay the** shortfall ~~shall be paid~~ to the district or intermediate district during the fiscal year beginning on the October 1 following the determination and **shall adjust** payments under subsection (3) ~~shall be adjusted~~ as necessary. If the department determines that the sum of the amounts allocated for a fiscal year to a district or intermediate district under subsection (2)(a) and (b) exceeds the sum of the amount necessary to fulfill the specified percentages in subsection (2), then the department shall deduct the amount of the excess from the district's or intermediate district's payments under this article for the fiscal year beginning on the October 1 following the determination and **shall adjust** payments under subsection (3) ~~shall be adjusted~~ as necessary. However, if the amount allocated under subsection (2)(a) in itself exceeds the amount necessary to fulfill the specified percentages in subsection (2), there ~~shall be~~ **is** no deduction under this subsection.

(5) State funds ~~shall be~~ **are** allocated on a total approved cost basis. Federal funds ~~shall be~~ **are** allocated under applicable federal requirements, except that an amount not to exceed $3,500,000.00 may be allocated by the department each fiscal year for ~~2017-2018 and for~~ 2018-2019 **and for 2019-2020** to districts, intermediate districts, or other eligible entities on a competitive grant basis for programs, equipment, and services that the department determines to be designed to benefit or improve special education on a statewide scale.

(6) From the amount allocated in subsection (1), there is allocated an amount not to exceed $2,200,000.00 each fiscal year for ~~2017-2018 and for~~ 2018-2019 **and for 2019-2020** to reimburse 100% of the net increase in necessary costs incurred by a district or intermediate district in implementing the revisions in the administrative rules for special education that became effective on July 1, 1987. As used in this subsection, "net increase in necessary costs" means the necessary additional costs incurred solely because of new or revised requirements in the administrative rules minus cost savings permitted in implementing the revised rules. ~~Net~~ **The department shall determine net** increase in necessary costs ~~shall be determined~~ in a manner specified by the department.

(7) For purposes of sections 51a to 58, all of the following apply:

(a) "Total approved costs of special education" ~~shall be~~ **are** determined in a manner specified by the department and may include indirect costs, but ~~shall~~ **must** not exceed 115% of approved direct costs for section 52 and section 53a programs. The total approved costs include salary and other compensation for all approved special education personnel for the program, including payments for ~~social security~~ **Social Security** and Medicare and public school employee retirement system contributions. The total approved costs do not include salaries or other compensation paid to administrative personnel who are not special education personnel as defined in section 6 of the revised school code, MCL 380.6. Costs reimbursed by federal funds, other than those federal funds included in the allocation made under this article, are not included. Special education approved personnel not utilized full time in the evaluation of students or in the delivery of special education programs, ancillary, and other related services ~~shall be~~ **are** reimbursed under this section only for that portion of time actually spent providing these programs and services, with the exception of special education programs and services provided to youth placed in child caring institutions or juvenile detention programs approved by the department to provide an on-grounds education program.

(b) Beginning with the 2004-2005 fiscal year, a district or intermediate district that employed special education support services staff to provide special education support services in 2003-2004 or in a subsequent fiscal year and that in a fiscal year after 2003-2004 receives the same type of support services from another district or intermediate district shall report the cost of those support services for special education reimbursement purposes under this article. This subdivision does not prohibit the transfer of special education classroom teachers and special education classroom aides if the pupils counted in membership associated with those special education classroom teachers and special education classroom aides are transferred and counted in membership in the other district or intermediate district in conjunction with the transfer of those teachers and aides.

(c) If the department determines before bookclosing for a fiscal year that the amounts allocated for that fiscal year under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56 will exceed expenditures for that fiscal year under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a district or intermediate district whose reimbursement for that fiscal year would otherwise be affected by subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for that district or intermediate district and **the department shall calculate** reimbursement for that district or intermediate district ~~shall be calculated~~ in the same manner as it was for 2003-2004. If the amount of the excess allocations under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56 is not sufficient to fully fund the calculation of reimbursement to those districts and intermediate districts under this subdivision, then the **department shall prorate** calculations and resulting reimbursement under this subdivision ~~shall be prorated~~ on an equal percentage basis. Beginning in 2015-2016, the amount of reimbursement under this subdivision for a fiscal year ~~shall~~ **must** not exceed $2,000,000.00 for any district or intermediate district.

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

(e) Beginning with calculations for 2004-2005, if an intermediate district purchases a special education pupil transportation service from a constituent district that was previously purchased from a private entity; if the purchase from the constituent district is at a lower cost, adjusted for changes in fuel costs; and if the cost shift from the intermediate district to the constituent does not result in any net change in the revenue the constituent district receives from payments under sections 22b and 51c, then upon application by the intermediate district, the department shall direct the intermediate district to continue to report the cost associated with the specific identified special education pupil transportation service and shall adjust the costs reported by the constituent district to remove the cost associated with that specific service.

(8) A pupil who is enrolled in a full-time special education program conducted or administered by an intermediate district or a pupil who is enrolled in the Michigan schools for the deaf and blind ~~shall not be~~ **is not** included in the membership count of a district, but ~~shall be~~ **is** counted in membership in the intermediate district of residence.

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

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

(11) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at ~~$3,200,000.00 for 2017-2018,~~ **$3,100,000.00 for 2018-2019** and estimated at ~~$3,400,000.00 for 2018-2019,~~ **$2,900,000.00 for 2019-2020,** to pay the foundation allowances for pupils described in this subsection. The **department shall calculate the** allocation to a district under this subsection ~~shall be calculated~~ by multiplying the number of pupils described in this subsection who are counted in membership in the district times the sum of the foundation allowance under section 20 of the pupil's district of residence ~~plus the amount of the district's per-pupil allocation under section 20m,~~ not to exceed the basic foundation allowance under section 20 for the ~~current~~ **2018-2019** fiscal year **and beginning with 2019-2020 not to exceed the target foundation allowance for the current fiscal year**, or, for a pupil described in this subsection who is counted in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil under section 20(6)**.** ~~or, for a pupil described in this subsection who is counted in membership in the education achievement system, times an amount equal to the amount per membership pupil under section 20(7).~~ The **department shall calculate the** allocation to an intermediate district under this subsection ~~shall be calculated~~ in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the basic foundation allowance under section 20 for the ~~current~~ **2018-2019** fiscal year ~~, and that district's per-pupil allocation under section 20m.~~ **and beginning with 2019-2020 not to exceed the target foundation allowance for the current fiscal year.** This subsection applies to all of the following pupils:

(a) Pupils described in section 53a.

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

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

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

(a) 100% of the reimbursement required under section 53a.

(b) 100% of the reimbursement required under subsection (6).

(c) 100% of the payment required under section 54.

(d) 100% of the payment required under subsection (3).

(e) 100% of the payments under section 56.

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

(14) If a public school academy that is not a cyber school, as defined in section 551 of the revised school code, MCL 380.551, enrolls under this section a pupil who resides outside of the intermediate district in which the public school academy is located and who is eligible for special education programs and services according to statute or rule, or who is a child with disabilities, as defined under the individuals with disabilities education act, Public Law 108-446, the intermediate district in which the public school academy is located and the public school academy shall enter into a written agreement with the intermediate district in which the pupil resides for the purpose of providing the pupil with a free appropriate public education, and the written agreement ~~shall~~ **must** include at least an agreement on the responsibility for the payment of the added costs of special education programs and services for the pupil. If the public school academy that enrolls the pupil does not enter into an agreement under this subsection, the public school academy shall not charge the pupil's resident intermediate district or the intermediate district in which the public school academy is located the added costs of special education programs and services for the pupil, and the public school academy is not eligible for any payouts based on the funding formula outlined in the resident or nonresident intermediate district's plan. If a pupil is not enrolled in a public school academy under this subsection, the provision of special education programs and services and the payment of the added costs of special education programs and services for a pupil described in this subsection are the responsibility of the district and intermediate district in which the pupil resides.

(15) For the purpose of receiving its federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, a public school academy that is a cyber school, as defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, ~~shall~~ directly ~~receive~~ **receives** the federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, from the intermediate district in which the cyber school is located, as the subrecipient. If the intermediate district does not distribute the funds described in this subsection to the cyber school by the part B application due date of July 1, the department may distribute the funds described in this subsection directly to the cyber school according to the formula prescribed in 34 CFR 300.705 and 34 CFR 300.816.

(16) For a public school academy that is a cyber school, as defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the intermediate district in which the cyber school is located shall ensure that the cyber school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757; applicable rules; and the individuals with disabilities education act, Public Law 108-446. From the general fund appropriation under subsection (1), **for 2018-2019 only** the department shall provide appropriate administrative funding to the intermediate district in which that cyber school is located for the purpose of ensuring that compliance.

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

Sec. 51c. As required by the court in the consolidated cases known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the allocation under section 51a(1), there is allocated each fiscal year for ~~2017-2018~~ **2018-2019** and for ~~2018-2019~~ **2019-2020** the amount necessary, estimated at ~~$636,900,000.00 for 2017-2018 and $651,000,000.00 for 2018-2019,~~ **$663,500,000.00 for 2018-2019 and $689,100,000.00 for 2019-2020,** for payments to reimburse districts for 28.6138% of total approved costs of special education excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. ~~Funds allocated under this section that are not expended in the state fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 22b in order to fully fund those calculated allocations for the same fiscal year.~~

Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** all available federal funding, estimated at $61,000,000.00, for special education programs and services that are funded by federal grants. ~~All~~ **The department shall distribute all** federal funds allocated under this section ~~shall be distributed~~ in accordance with federal law. Notwithstanding section 17b, **the department shall make** payments of federal funds to districts, intermediate districts, and other eligible entities under this section ~~shall be paid~~ on a schedule determined by the department.

(2) From the federal funds allocated under subsection (1), the following amounts are allocated for ~~2018-2019:~~**2019-2020:**

(a) An amount estimated at $14,000,000.00 for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

(b) An amount estimated at $12,000,000.00 for preschool grants (Public Law 94-142), funded from DED-OSERS, handicapped preschool incentive funds.

(c) An amount estimated at $35,000,000.00 for special education programs funded by DED-OSERS, handicapped program, individuals with disabilities act funds.

(3) As used in this section, "DED-OSERS" means the United States Department of Education Office of Special Education and Rehabilitative Services.

Sec. 51f. (1) From the funds appropriated under section 11, there is allocated for 2019-2020 an amount not to exceed $30,207,000.00 for payments to districts and intermediate districts to increase the level of reimbursement of costs associated with providing special education services required under state and federal law.

(2) A district's or intermediate district's allocation under this section is equal to the level percentage multiplied by each district's or intermediate district's costs reported to the center on the special education actual cost report, known as "SE-4096" as referred to under section 18(6), as approved by the department.

(3) The total reimbursement under this section and under section 51c must not exceed the total reported costs for a district or intermediate district.

(4) For 2019-2020, the level percentage is estimated at 1.0%.

(5) For the purposes of this section, "level percentage" means the percentage calculated by dividing the allocation in subsection (1) by the total of costs reported to the center on the special education actual cost report, known as "SE-4096" as referred to under section 18(6), as approved by the department.

Sec. 53a. (1) For districts, reimbursement for pupils described in subsection (2) ~~shall be~~ **is** 100% of the total approved costs of operating special education programs and services approved by the department and included in the intermediate district plan adopted pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1761, minus the district's foundation allowance calculated under section 20**.** ~~and minus the district's per-pupil allocation under section 20m.~~ For intermediate districts, **the department shall calculate** reimbursement for pupils described in subsection (2) ~~shall be calculated~~ in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the ~~basic~~ **target** foundation allowance under section 20 for the current fiscal year**.** ~~, and that district's per-pupil allocation under section 20m.~~

(2) Reimbursement under subsection (1) is for the following special education pupils:

(a) Pupils assigned to a district or intermediate district through the community placement program of the courts or a state agency, if the pupil was a resident of another intermediate district at the time the pupil came under the jurisdiction of the court or a state agency.

(b) Pupils who are residents of institutions operated by the department of health and human services.

(c) Pupils who are former residents of department of community health institutions for the developmentally disabled who are placed in community settings other than the pupil's home.

(d) Pupils enrolled in a department-approved on-grounds educational program longer than 180 days, but not longer than 233 days, at a residential child care institution, if the child care institution offered in 1991-92 an on-grounds educational program longer than 180 days but not longer than 233 days.

(e) Pupils placed in a district by a parent for the purpose of seeking a suitable home, if the parent does not reside in the same intermediate district as the district in which the pupil is placed.

(3) Only those costs that are clearly and directly attributable to educational programs for pupils described in subsection (2), and that would not have been incurred if the pupils were not being educated in a district or intermediate district, are reimbursable under this section.

(4) The costs of transportation ~~shall be~~ **are** funded under this section and ~~shall not be~~ **are not** reimbursed under section 58.

(5) ~~Not~~ **The department shall not allocate** more than $10,500,000.00 of the allocation for ~~2018-2019~~ **2019-2020** in section 51a(1) ~~shall be allocated~~ under this section.

Sec. 54. Each intermediate district ~~shall receive~~ **receives** an amount per-pupil for each pupil in attendance at the Michigan schools for the deaf and blind. The amount ~~shall be~~ **is** proportionate to the total instructional cost at each school. ~~Not~~ **The department shall not allocate** more than $1,688,000.00 of the allocation for ~~2018-2019~~ **2019-2020** in section 51a(1) ~~shall be allocated~~ under this section.

Sec. 54b. (1) From the general fund appropriation in section 11, there is allocated an amount not to exceed $1,600,000.00 for ~~2018-2019~~ **2019-2020** to continue the implementation of the recommendations of the special education reform task force published in January 2016.

(2) The department shall use funds allocated under this section for the purpose of piloting statewide implementation of the Michigan Integrated Behavior and Learning Support Initiative (MiBLSI), a nationally recognized program that includes positive behavioral intervention and supports and provides a statewide structure to support local initiatives for an integrated behavior and reading program. With the assistance of the intermediate districts involved in MiBLSI, the department shall identify a number of intermediate districts to participate in the pilot that is sufficient to ensure that MiBLSI can be implemented statewide with fidelity and sustainability. In addition, the department shall identify an intermediate district to act as a fiscal agent for these funds.

Sec. 54d. (1) From the appropriations in section 11, there is allocated an amount not to exceed ~~$5,000,000.00~~ **$7,150,000.00** for ~~2018-2019~~ **2019-2020** to intermediate districts for the purpose of providing state early on services pilot programs for children from birth to 3 years of age with a developmental delay or a disability, or both, and their families, as described in the early on Michigan state plan, as approved by the department.

(2) To be eligible to receive grant funding under this section, each intermediate district shall apply in a form and manner determined by the department.

(3) The grant funding allocated under this section ~~shall~~ **must** be used to increase early on services and resources available to children that demonstrate developmental delays to help prepare them for success as they enter school. State early on services include evaluating and providing early intervention services for eligible infants and toddlers and their families to address developmental delays, including those affecting physical, cognitive, communication, adaptive, social, or emotional development. Grant funds must not be used to supplant existing services that are currently being provided.

(4) The **department shall distribute the** funds allocated under subsection (1) ~~shall be distributed~~ to intermediate districts according to the department's early on funding formula utilized to distribute the federal award to Michigan under part C of the individuals with disabilities education act. Funds received under this section must not supplant existing funds or resources allocated for early on early intervention services. An intermediate district receiving funds under this section shall maximize the capture of Medicaid funds to support early on early intervention services to the extent possible.

(5) Each intermediate district that receives funds under this section shall report data and other information to the department in a form, manner, and frequency prescribed by the department to allow for monitoring and evaluation of the pilot projects and to ensure that the children described in subsection (1) received appropriate levels and types of services delivered by qualified personnel, based on the individual needs of the children and their families.

(6) Notwithstanding section 17b, **the department shall make** payments under this section ~~shall be paid~~ on a schedule determined by the department.

Sec. 54e. (1) From the general fund money appropriated in section 11, there is allocated for 2019-2020 only an amount not to exceed $350,000.00 for a pilot program to train at least 60 early on providers in the components of evidence-based parent-implemented models of intervention for the treatment of autism. To receive funding under this section, a program provider must agree to use the funds for training in these components for early on providers using an evidence-based program to conduct the training and may receive the funding in the form and manner prescribed by the department. The department shall ensure that early on providers in multiple intermediate districts are provided with training under this section and shall include early on providers in intermediate districts based on interest in the program and need for the training.

(2) The department shall conduct a survey of intermediate districts in the pilot program described under this section after implementation of the parent-implemented model of intervention pilot program to measure the impact of the program. The department shall report the findings from the survey to the legislature. The department may use existing vendors to conduct this data collection. The department may use not more than 10% of the allocation under this section for administration and management of the pilot program.

(3) As used in this section, "parent-implemented model of intervention" means a model in which parents directly use individualized developmentally appropriate intervention practices with their children to increase the social abilities of children with autism.

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

Sec. 55. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed $250,000.00 for ~~2018-2019~~ **2019-2020 only** to the Conductive Learning Center located at Aquinas College. This funding must be used to support the operational costs of the conductive education model taught at the Conductive Learning Center to maximize the independence and mobility of children and adults with neuromotor disabilities. The conductive education model funded under this section must be based on the concept of neuroplasticity and the ability of people to learn and improve when they are motivated, regardless of the severity of their disability.

(2) Notwithstanding section 17b, the department shall distribute the funding allocated under this section to the Conductive Learning Center not later than ~~December 1, 2018.~~**January 15, 2020.**

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

(a) "Membership" means for a particular fiscal year the total membership for the immediately preceding fiscal year of the intermediate district and the districts constituent to the intermediate district.

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

(c) "Taxable value" means the total taxable value of the districts constituent to an intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, membership and taxable value of the district ~~shall not be~~ **are not** included in the membership and taxable value of the intermediate district.

(2) From the allocation under section 51a(1), there is allocated ~~an amount not to exceed $37,758,100.00 for 2017-2018~~ **$40,008,100.00 for 2018-2019** and an amount not to exceed $40,008,100.00 for ~~2018-2019~~ **2019-2020** to reimburse intermediate districts levying millages for special education pursuant to part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the reimbursement ~~shall be~~ **are** limited as if the funds were generated by these millages and governed by the intermediate district plan adopted pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1761. As a condition of receiving funds under this section, an intermediate district distributing any portion of special education millage funds to its constituent districts shall submit for departmental approval and implement a distribution plan.

~~(3) Reimbursement for those millages levied in 2016-2017 shall be made in 2017-2018 at an amount per 2016-2017 membership pupil computed by subtracting from $185,000.00 the 2016-2017 taxable value behind each membership pupil and multiplying the resulting difference by the 2016-2017 millage levied, and then subtracting from that amount the 2016-2017 local community stabilization share revenue for special education purposes behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.~~

(3) ~~(4)~~ Except as otherwise provided in this subsection, reimbursement for those millages levied in 2017-2018 ~~shall be~~ **is** made in 2018-2019 at an amount per 2017-2018 membership pupil computed by subtracting from ~~$193,700.00~~ **$193,900.00** the 2017-2018 taxable value behind each membership pupil and multiplying the resulting difference by the 2017-2018 millage levied, and then subtracting from that amount the 2017-2018 local community stabilization share revenue for special education purposes behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in 2018-2019 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) ~~shall be~~ **is** an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

(4) Except as otherwise provided in this subsection, reimbursement for those millages levied in 2018-2019 is made in 2019-2020 at an amount per 2018-2019 membership pupil computed by subtracting from $201,800.00 the 2018-2019 taxable value behind each membership pupil and multiplying the resulting difference by the 2018-2019 millage levied, and then subtracting from that amount the 2018-2019 local community stabilization share revenue for special education purposes behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in 2019-2020 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

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

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

Sec. 61a. (1) From the appropriation in section 11, there is allocated an amount not to exceed ~~$36,611,300.00~~ **$37,611,300.00** for ~~2018-2019~~ **2019-2020** to reimburse on an added cost basis districts, except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year and that has a foundation allowance as calculated under section 20 greater than the minimum foundation allowance under that section, and secondary area vocational-technical education centers for secondary-level career and technical education programs according to rules approved by the superintendent. Applications for participation in the programs ~~shall~~ **must** be submitted in the form prescribed by the department. The department shall determine the added cost for each career and technical education program area. The **department shall prioritize the** allocation of added cost funds ~~shall be prioritized~~ based on the capital and program expenditures needed to operate the career and technical education programs provided; the number of pupils

enrolled; the advancement of pupils through the instructional program; the existence of an articulation agreement with at least 1 postsecondary institution that provides pupils with opportunities to earn postsecondary credit during the pupil's participation in the career and technical education program and transfers those credits to the postsecondary institution upon completion of the career and technical education program; and the program rank in student placement, job openings, and wages, and shall **ensure that the allocation does** not exceed 75% of the added cost of any program. Notwithstanding any rule or department determination to the contrary, when determining a district's allocation or the formula for making allocations under this section, the department shall include the participation of pupils in grade 9 in all of those determinations and in all portions of the formula. With the approval of the department, the board of a district maintaining a secondary career and technical education program may offer the program for the period from the close of the school year until September 1. The program shall use existing facilities and ~~shall~~ **must** be operated as prescribed by rules promulgated by the superintendent.

(2) Except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year, **the department shall reimburse** districts and intermediate districts ~~shall be reimbursed~~ for local career and technical education administration, shared time career and technical education administration, and career education planning district career and technical education administration. The **superintendent shall adopt guidelines for the** definition of what constitutes administration and **shall make** reimbursement ~~shall be~~ pursuant to **those** guidelines**.** ~~adopted by the superintendent. Not~~ **The department shall not distribute** more than $800,000.00 of the allocation in subsection (1) ~~shall be distributed~~ under this subsection.

(3) A career and technical education program funded under this section may provide an opportunity for participants who are eligible to be funded under section 107 to enroll in the career and technical education program funded under this section if the participation does not occur during regular school hours.

(4) In addition to the money allocated under ~~subsections~~ **subsection** (1)**,** ~~and (5),~~ from the ~~general~~ **talent investment** fund money appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020 only** an amount not to exceed $100,000.00 to an eligible Michigan-approved 501(c)(3) organization for the purposes of teaching or training restaurant management and culinary arts for career and professional development. The department shall oversee funds distributed to an eligible grantee under this section. As used in this subsection, "eligible Michigan-approved 501(c)(3) organization" means an organization that is exempt from taxation under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that provides the ProStart curriculum and training to state-approved career and technical education programs with classification of instructional programs (CIP) codes in the 12.05xx category, and that administers national certification for the purpose of restaurant management and culinary arts for career and professional development.

~~(5) In addition to the funds allocated under subsections (1) and (4), from the funds appropriated in section 11, there is allocated for 2018-2019 an amount not to exceed $1,000,000.00 for competitive grants to intermediate districts to hire career and technical education counselors. All of the following apply to this funding:~~

~~(a) An intermediate district seeking a grant under this subsection shall apply to the department in a form and manner specified by the department.~~

~~(b) The department shall award grants under this subsection to no more than 3 intermediate districts that received funding under this subsection in 2017-2018.~~

~~(c) To be eligible for funding under this subsection, an intermediate district shall do all of the following:~~

~~(*i*) Catalog all available K-12 and other workforce development programs and services, including job search, job training, pre-employment certifications, career awareness programs, career and technical education programs, and other related programs and services offered by districts or intermediate districts, postsecondary institutions, and other private or public service organizations.~~

~~(*ii*) Develop an outreach program that educates students about career and technical education options and connects students to the services cataloged under subparagraph (*i*).~~

~~(*iii*) Track student placement and report on student placement to the house and senate appropriations subcommittees on school aid no later than June 30, 2019 in the form and manner prescribed by the department.~~

Sec. 61b. (1) From the ~~appropriation in~~ **funds appropriated under** section 11, there is allocated **for 2019-2020** an amount not to exceed $8,000,000.00 ~~each fiscal year for 2017-2018 and for 2018-2019~~ **from the state school aid fund appropriation and, for 2019-2020 only, an amount not to exceed $2,000,000.00 from the talent investment fund appropriation** for CTE early/middle college and CTE dual enrollment programs authorized under this section and for planning grants for the development or expansion of CTE early/middle college programs. The purpose of these programs is to increase the number of Michigan residents with high-quality degrees or credentials, and to increase the number of students who are college and career ready upon high school graduation.

(2) From the funds allocated under subsection (1), **the department shall allocate** an amount as determined under this subsection ~~shall be allocated~~ to each intermediate district serving as a fiscal agent for state-approved CTE early/middle college and CTE dual enrollment programs in each of the prosperity regions and subregions identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administrative costs for serving as the fiscal agent.

(3) To be an eligible fiscal agent, an intermediate district must agree to do all of the following in a form and manner determined by the department:

(a) Distribute funds to eligible CTE early/middle college and CTE dual enrollment programs in a prosperity region or subregion as described in this section.

(b) Collaborate with the career and educational advisory council that is located in the prosperity region or subregion to develop a regional strategic plan under subsection (4) that aligns CTE programs and services into an efficient and effective delivery system for high school students.

(c) Implement a regional process to rank career clusters in the prosperity region or subregion as described under subsection (4). Regional processes ~~shall~~ **must** be approved by the department before the ranking of career clusters.

(d) Report CTE early/middle college and CTE dual enrollment program and student data and information as prescribed by the department and the center.

(4) A regional strategic plan must be approved by the career and educational advisory council before submission to the department. A regional strategic plan ~~shall~~ **must** include, but **is** not ~~be~~ limited to, the following:

(a) An identification of regional employer need based on a ranking of all career clusters in the prosperity region or subregion ranked by 10-year job openings projections and median wage for each standard occupational code in each career cluster as obtained from the United States Bureau of Labor Statistics. Standard occupational codes within high-ranking clusters also may be further ranked by median wage. The ~~rankings shall be reviewed by the~~ career and educational advisory council located in the prosperity region or subregion **shall review the rankings** and ~~modified~~ **modify them** if necessary to accurately reflect employer demand for talent in the prosperity region or subregion. A career and educational advisory council shall document that it has conducted this review and certify that it is accurate. These career cluster rankings ~~shall~~ **must** be determined and updated once every 4 years.

(b) An identification of educational entities in the prosperity region or subregion that will provide eligible CTE early/middle college and CTE dual enrollment programs including districts, intermediate districts, postsecondary institutions, and noncredit occupational training programs leading to an industry-recognized credential.

(c) A strategy to inform parents and students of CTE early/middle college and CTE dual enrollment programs in the prosperity region or subregion.

(d) Any other requirements as defined by the department.

(5) An eligible CTE program is a program that meets all of the following:

(a) Has been identified in the highest 5 career cluster rankings in any of the 10 regional strategic plans jointly approved by the Michigan talent investment agency in the department of ~~talent and economic development and the department.~~**labor and economic opportunity.**

(b) Has a coherent sequence of courses that will allow a student to earn a high school diploma and achieve at least 1 of the following in a specific career cluster:

(*i*) An associate degree.

(*ii*) An industry-recognized technical certification approved by the Michigan talent investment agency in the department of ~~talent and economic development.~~**labor and economic opportunity.**

(*iii*) Up to 60 transferable college credits.

(*iv*) Participation in a registered apprenticeship, pre-apprenticeship, or apprentice readiness program.

(c) Is aligned with the Michigan merit curriculum.

(d) Has an articulation agreement with at least 1 postsecondary institution that provides students with opportunities to receive postsecondary credits during the student's participation in the CTE early/middle college or CTE dual enrollment program and transfers those credits to the postsecondary institution upon completion of the CTE early/middle college or CTE dual enrollment program.

(e) Provides instruction that is supervised, directed, or coordinated by an appropriately certificated CTE teacher or, for concurrent enrollment courses, a postsecondary faculty member.

(f) Provides for highly integrated student support services that include at least the following:

(*i*) Teachers as academic advisors.

(*ii*) Supervised course selection.

(*iii*) Monitoring of student progress and completion.

(*iv*) Career planning services provided by a local one-stop service center as described in the Michigan Works! one-stop service center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a high school counselor or advisor.

(g) Has courses that are taught on a college campus, are college courses offered at the high school and taught by college faculty, or are courses taught in combination with online instruction.

(6) ~~Funds~~ **The department shall distribute funds** to eligible CTE early/middle college and CTE dual enrollment programs ~~shall be distributed~~ as follows:

(a) The department shall determine statewide average CTE costs per pupil for each CIP code program by calculating statewide average costs for each CIP code program for the 3 most recent fiscal years.

(b) ~~Distribution~~ **The distribution** to each eligible CTE early/middle college or CTE dual enrollment program ~~shall be~~ **is** the product of 50% of CTE costs per pupil times the current year pupil enrollment of each eligible CTE early/middle college or CTE dual enrollment program.

(7) In order to receive funds under this section, a CTE early/middle college or CTE dual enrollment program shall furnish to the intermediate district that is the fiscal agent identified in subsection (2), in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department.

(8) There is allocated **for 2019-2020** from the funds under subsection (1) an amount not to exceed $500,000.00 ~~each fiscal year for 2017-2018 and for 2018-2019~~ **from the state school aid fund allocation and, for 2019-2020 only, an amount not to exceed $2,000,000.00 from the talent investment fund allocation** for grants to intermediate districts or consortia of intermediate districts for the purpose of planning for new or expanded early middle college programs. Applications for grants ~~shall~~ **must** be submitted in a form and manner determined by the department. The amount of a grant under this subsection ~~shall~~ **must** not exceed ~~$50,000.00.~~ **$150,000.00.** To be eligible for a grant under this subsection, an intermediate district or consortia of intermediate districts must provide matching funds equal to the grant received under this subsection. Notwithstanding section 17b, **the department shall make** payments under this subsection ~~may be made as~~ **in the manner** determined by the department.

(9) Funds distributed under this section may be used to fund program expenditures that would otherwise be paid from foundation allowances. A program receiving funding under section 61a may receive funding under this section for allowable costs that exceed the reimbursement the program received under section 61a. The combined payments received by a program under section 61a and this section ~~shall~~ **must** not exceed the total allowable costs of the program. A program provider shall not use more than 5% of the funds allocated under this section to the program for administrative costs.

(10) If the allocation under subsection (1) is insufficient to fully fund payments as otherwise calculated under this section, the department shall prorate payments under this section on an equal percentage basis.

(11) If pupils enrolled in a career cluster in an eligible CTE early/middle college or CTE dual enrollment program qualify to be reimbursed under this section, those pupils continue to qualify for reimbursement until graduation, even if the career cluster is no longer identified as being in the highest 5 career cluster rankings.

(12) As used in this section:

(a) "Allowable costs" means those costs directly attributable to the program as jointly determined by the Michigan talent investment agency and the department.

(b) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

(c) "CIP" means classification of instructional programs.

(d) "CTE" means career and technical education programs.

(e) "CTE dual enrollment program" means a 4-year high school program of postsecondary courses offered by eligible postsecondary educational institutions that leads to an industry-recognized certification or degree.

(f) "Early/middle college program" means a 5-year high school program.

(g) "Eligible postsecondary educational institution" means that term as defined in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

(13) The funds allocated under subsection (8) for 2019-2020 are a work project appropriation, and any unexpended funds for 2019-2020 are carried forward into 2020-2021. The purpose of the work project is to continue providing CTE opportunities described in subsection (8). The estimated completion date of the work project is September 30, 2021.

Sec. 61c. (1) From the ~~general fund~~ **talent investment fund** appropriation in section 11, there is allocated for ~~2018-2019~~ **2019-2020 only** an amount not to exceed ~~$2,500,000.00~~ **$16,000,000.00 for the purposes of this section.**

(2) From the money allocated under subsection (1), there is allocated an amount not to exceed $11,000,000.00 to eligible career education planning districts for the CTE skilled trades initiative described in **this subsection and** subsections ~~(2)~~ **(3)** to (5). To be eligible to receive funding under this ~~section,~~ **subsection,** at least 50% of the area served by a CEPD must be located in an intermediate district that did not levy a vocational education millage in 2018.

~~(2)~~ To receive funding under **this** subsection**,** ~~(1),~~ each eligible CEPD shall apply in a form and manner determined by the department. Funding to each eligible CEPD ~~shall be~~ **is an amount** equal to the quotient of the allocation under **this** subsection ~~(1) and~~ **divided by** the sum of the number of ~~career education planning districts~~ **CEPDs** applying for funding under **this** subsection ~~(1)~~ that are located in an intermediate district that did not levy a vocational education millage in 2018.

(3) ~~At least 50% of the funding allocated to each~~ **Each** eligible CEPD **receiving funding under subsection (2) and each intermediate district receiving funding under subsection (6)** shall ~~be used~~ **use at least 50% of the funding** to update equipment in current CTE programs that have been identified in the highest 5 career cluster rankings in any of the 10 regional strategic plans jointly approved by the Michigan talent investment agency in the department of ~~talent and economic development~~ **labor and economic opportunity** and the department, for training on new equipment, for professional development relating to computer science or coding, or for new and emerging certified CTE programs to allow CEPD administrators to provide programming in communities that will enhance economic development. The funding for equipment should be used to support and enhance community areas that have sustained job growth, and act as a commitment to build a more qualified and skilled workforce. In addition, each CEPD **or intermediate district** is encouraged to explore the option of leasing equipment from local private industry to encourage the use of the most advanced equipment.

(4) The **CEPD administrators shall determine the** allocation of funds **received under subsection (2)** at the local level ~~shall be determined by CEPD administrators~~ using data from the state, region, and local sources to make well-informed decisions on program equipment improvements. Grants awarded by CEPD administrators for capital infrastructure ~~shall~~ **must** be used to ensure that CTE programs can deliver educational programs in high-wage, high-skill, and high-demand occupations. Each CEPD shall continue to ensure that program advisory boards make recommendations on needed improvements for equipment that support job growth and job skill development and retention for both the present and the future.

(5) Not later than September 15 of each fiscal year, each CEPD receiving funding **under subsection (2) and each intermediate district receiving funding under subsection (6)** shall ~~annually~~ report to the department, the senate and house appropriations subcommittees on state school aid, and the senate and house fiscal agencies and legislature on equipment purchased under ~~subsection (1).~~ **this section.** In addition, the report ~~shall~~ **must include information regarding any partnerships as described under subsection (8) and the purposes of those partnerships and must** identify growth data on program involvement, retention, and development of student skills.

(6) From the money allocated under subsection (1), there is allocated an amount not to exceed $4,000,000.00 for competitive grants to intermediate districts that operate a career and technical education program to use for the career and technical education program. An intermediate district shall apply for funding under this subsection in a form and manner prescribed by the department. The department shall select intermediate districts for funding under this subsection by December 1, 2019 and shall make payments under this subsection on a schedule determined by the department. An intermediate district receiving funding under this subsection shall comply with subsections (3) and (5).

(7) From the money allocated under subsection (1), there is allocated an amount not to exceed $1,000,000.00 for competitive grants to districts and intermediate districts for stem equipment for grades K to 8 to provide pupils in grades K to 8 with expanded opportunities to improve mathematics, science, and technology skills with stem equipment. The department shall determine the process for application and criteria for awarding the grants. The amount of a grant under this subsection must not exceed $10,000.00. Notwithstanding section 17b, the department shall make grant payments under this subsection on a schedule determined by the department.

(8) In awarding funding to eligible CEPDS under subsection (2) or to intermediate districts under subsection (6), the department shall give priority to eligible CEPDS or intermediate districts that partner with a private industry or CTE-related organization through direct or in-kind donations for at least 1 of the following purposes:

(a) To lease equipment purchased under this section.

(b) To receive a discounted rate for equipment purchased under this section.

(c) To receive a grant match for equipment purchased under this section.

(d) To facilitate internships, apprenticeships, or similar opportunities for pupils enrolled in CTE programs.

(e) To receive guidance on the purchase of equipment that assists in delivering educational programs in high-wage, high-skill, and high-demand occupations.

(9) The department shall base the level of priority it gives to an eligible CEPD or intermediate district that partners with a private industry or CTE-related organization as described under subsection (8) on the number of purposes under subsection (8)(a) to (e) that the eligible CEPD or intermediate district partners with the private industry or CTE-related organization for, with the highest level of priority given to an eligible CEPD or intermediate district that partners with a private industry or CTE-related organization as described under subsection (8) for all of the purposes listed under subsection (8)(a) to (e) and the lowest level of priority given to an eligible CEPD or intermediate district that partners with a private industry or CTE-related organization as described under subsection (8) for only 1 of the purposes listed under subsection (8)(a) to (e).

(10) ~~(6)~~ As used in this section:

(a) "Career and technical education program" means a state-approved career and technical education program, as determined by the department.

(b) ~~(a)~~ "CEPD" means a career education planning district described in this section.

(c) ~~(b)~~ "CTE" means career and technical education.

Sec. 61d. (1) From the appropriation in section 11, there is allocated **for 2019-2020** an amount not to exceed $5,000,000.00 ~~for 2018-2019~~ **from the state school aid fund and, for 2019-2020 only, an amount not to exceed $5,000,000.00 from the talent investment fund** for additional payments to districts for career and technical education programs for the purpose of increasing the number of Michigan residents with high-quality degrees or credentials, and to increase the number of pupils who are college- and career-ready upon high school graduation.

(2) ~~Payments~~ **The department shall calculate payments** to districts under this section ~~must be calculated~~ in the following manner:

(a) A payment of ~~$25.00~~ **$50.00** multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program.

(b) An additional payment of ~~$25.00~~ **$50.00** multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program that provides instruction in critical skills and high-demand career fields.

(3) If the allocation under subsection (1) is insufficient to fully fund payments under subsection (2), the department shall prorate payments under this section on an equal per-pupil basis.

(4) As used in this section:

(a) "Career and technical education program" means a state-approved career and technical education program, as determined by the department.

(b) "Career and technical education program that provides instruction in critical skills and high-demand career field" means a career and technical education program classified under any of the following 2-digit classification of instructional programs (CIP) codes:

(*i*) 01, which refers to "agriculture, agriculture operations, and related sciences".

(*ii*) 03, which refers to "natural resources and conservation".

(*iii*) 10 through 11, which refers to "communications technologies/technicians and support services" and "computer and information sciences and support services".

(*iv*) 14 through 15, which refers to "engineering" and "engineering technologies and engineering-related fields".

(*v*) 26, which refers to "biological and biomedical sciences".

(*vi*) 46 through 48, which refers to "construction trades", "mechanic and repair technologies/technicians", and "precision production".

(*vii*) 51, which refers to "health professions and related programs".

Sec. 61f. (1) From the ~~funds~~ **talent investment fund money** appropriated under section 11, there is allocated an amount not to exceed $200,000.00 for ~~2018-2019~~ **2019-2020 only** for a grant to support a program that is an innovative retention and completion program designed to create a seamless educational and career pathway support structure and that does at least all of the following:

(a) Creates a pipeline from kindergarten to a college credential.

(b) Provides coaching at all levels of K-12 education to foster an environment that educates pupils on the availability and positive outcomes from postsecondary education.

(c) Introduces career clusters to elementary school pupils, career pathways to middle school pupils, and develops pupil success plans for high school pupils.

(d) Provides family literacy sessions.

(e) Provides a summer bridge program to ensure seamless transition from high school to postsecondary educational opportunities.

(f) Introduces K-12 pupils to college and career opportunities at postsecondary campuses and bridges those pupils into the respective postsecondary institutions for coursework.

(g) Creates a partnership between area districts, a community college, and a public university to serve pupils in the program.

(h) Synchronizes families and pupils to assess and understand their knowledge of how to be successful in school and work.

(2) The department shall distribute the funds awarded under subsection (1) not later than ~~February~~ **November** 15, 2019 to Mott Community College to implement the program under this section. Funds allocated under this section may be used for salaries and benefits, supply and programming costs, and gap scholarships.

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

(a) "Membership" means for a particular fiscal year the total membership for the immediately preceding fiscal year of the intermediate district and the districts constituent to the intermediate district or the total membership for the immediately preceding fiscal year of the area vocational-technical program.

(b) "Millage levied" means the millage levied for area vocational-technical education pursuant to sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, including a levy for debt service obligations incurred as the result of borrowing for capital outlay projects and in meeting capital projects fund requirements of area vocational-technical education.

(c) "Taxable value" means the total taxable value of the districts constituent to an intermediate district or area vocational-technical education program, except that if a district has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, the membership and taxable value of that district ~~shall not be~~ **are not** included in the membership and taxable value of the intermediate district. However, the membership and taxable value of a district that has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, ~~shall be~~ **are** included in the membership and taxable value of the intermediate district if the district meets both of the following:

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

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

(2) From the appropriation in section 11, there is allocated an amount not to exceed $9,190,000.00 each fiscal year for ~~2017-2018 and for~~ 2018-2019 **and for 2019-2020** to reimburse intermediate districts and area vocational-technical education programs established under section 690(3) of the revised school code, MCL 380.690, levying millages for area vocational-technical education pursuant to sections 681 to 690 of the revised school code, MCL 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement ~~shall be~~ **are** limited as if the funds were generated by those millages.

~~(3) Reimbursement for those millages levied in 2016-2017 shall be made in 2017-2018 at an amount per 2016-2017 membership pupil computed by subtracting from $200,800.00 the 2016-2017 taxable value behind each membership pupil and multiplying the resulting difference by the 2016-2017 millage levied, and then subtracting from that amount the 2016-2017 local community stabilization share revenue for area vocational technical education behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.~~

(3) ~~(4)~~ Reimbursement for those millages levied in 2017-2018 ~~shall be~~ **is** made in 2018-2019 at an amount per 2017-2018 membership pupil computed by subtracting from $205,700.00 the 2017-2018 taxable value behind each membership pupil and multiplying the resulting difference by the 2017-2018 millage levied, and then subtracting from that amount the 2017-2018 local community stabilization share revenue for area vocational technical education behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.

(4) Reimbursement for those millages levied in 2018-2019 is made in 2019-2020 at an amount per 2018-2019 membership pupil computed by subtracting from $211,000.00 the 2018-2019 taxable value behind each membership pupil and multiplying the resulting difference by the 2018-2019 millage levied, and then subtracting from that amount the 2018-2019 local community stabilization share revenue for area vocational technical education behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.

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

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

Sec. 64d. (1) From the ~~general fund~~ **talent investment fund** appropriation under section 11, there is allocated an amount not to exceed $2,300,000.00 for ~~2018-2019~~ **2019-2020 only** for a grant to provide information technology education opportunities to students attending schools operating grades K-12, career and technical centers and career academies, and community colleges and universities. It is the intent of the legislature that ~~2018-2019~~ **2019-2020** is the ~~second~~ **third** of 3 years of funding for the grant program. Funds allocated under this section shall be used for instruction in information technology skills and competencies that are essential for the workplace and requested by employers and shall allow participating students and faculties to secure broad-based information technology certifications and, if applicable, college credit.

(2) The department shall select the provider that received funding under this section in ~~2017-2018.~~ **2018-2019.** A program funded under this section must include at least the following components:

(a) Research- and skill-development-based and information technology curriculum.

(b) Online access to the curriculum.

(c) Instructional software for classroom and student use.

(d) A program that includes coding curriculum and material that are aligned to the CS AP exam and grants a certificate upon completion of the program.

(e) Components for all grade levels on computational thinking skills development using the latest gaming software.

(f) A process for students to obtain certifications of skills and competencies in a broad base of information technology-related skill areas.

(g) Professional development for faculty.

(h) Implementation and program support, including, but not limited to, integration with current curriculum standards.

(i) Methods for students to earn college credit.

(3) The funds allocated under this section for 2018-2019 are a work project appropriation, and any unexpended funds for 2018-2019 are to be carried forward into 2019-2020. The purpose of the work project is to continue to provide information technology education opportunities described in this section. The estimated completion date of the work project is September 30, 2020.

(4) The funds allocated under this section for 2019-2020 are a work project appropriation, and any unexpended funds for 2019-2020 do not lapse and are carried forward into 2020-2021. The purpose of the work project is to continue to provide information technology education opportunities described in this section. The estimated completion date of the work project is September 30, 2021.

Sec. 65. (1) From the appropriation under section 11, there is allocated an amount not to exceed $400,000.00 for ~~2018-2019~~ **2019-2020** for a pre-college engineering K-12 educational program that is focused on the development of a diverse future Michigan workforce, that serves multiple communities within southeast Michigan, that enrolls pupils from multiple districts, and that received funds appropriated for this purpose in the appropriations act that provided the Michigan strategic fund budget for 2014-2015.

(2) To be eligible for funding under this section, a program must have the ability to expose pupils to, and motivate and prepare pupils for, science, technology, engineering, and mathematics careers and postsecondary education with special attention given to groups of pupils who are at-risk and underrepresented in technical professions and careers.

Sec. 67. (1) From the general fund amount appropriated in section 11, there is allocated an amount not to exceed $3,000,000.00 for ~~2018-2019~~ **2019-2020** for college access programs. The programs funded under this section are intended to inform students of college and career options and to provide resources intended to increase the number of pupils who are adequately prepared with the information needed to make informed decisions on college and career. The funds appropriated under this section are intended to be used to increase the number of Michigan residents with high-quality degrees or credentials. Funds appropriated under this section ~~shall~~ **must** not be used to supplant funding for counselors already funded by districts.

(2) The talent investment agency of the department of ~~talent and economic development~~ **labor and economic opportunity** shall administer funds allocated under this section in collaboration with the Michigan college access network. These funds may be used for any of the following purposes:

(a) Michigan college access network operations, programming, and services to local college access networks.

(b) Local college access networks, which are community-based college access/success partnerships committed to increasing the college participation and completion rates within geographically defined communities through a coordinated strategy.

(c) The Michigan college advising program, a program intended to place trained, recently graduated college advisors in high schools that serve significant numbers of low-income and first-generation college-going pupils. State funds used for this purpose may not exceed 33% of the total funds available under this subsection.

(d) Subgrants of up to $5,000.00 to districts with comprehensive high schools that establish a college access team and implement specific strategies to create a college-going culture in a high school in a form and manner approved by the Michigan college access network and the Michigan talent investment agency.

(e) The Michigan college access portal, an online one-stop portal to help pupils and families plan and apply for college.

(f) Public awareness and outreach campaigns to encourage low-income and first-generation college-going pupils to take necessary steps toward college and to assist pupils and families in completing a timely and accurate free application for federal student aid.

(g) Subgrants to postsecondary institutions to recruit, hire, and train college student mentors and college advisors to assist high school pupils in navigating the postsecondary planning and enrollment process.

(3) For the purposes of this section, "college" means any postsecondary educational opportunity that leads to a career, including, but not limited to, a postsecondary degree, industry-recognized technical certification, or registered apprenticeship.

Sec. 67a. (1) From the general fund appropriation under section 11, there is allocated an amount not to exceed $80,000.00 for 2019-2020 only for a grant to be distributed by the department to a provider for a career exploration pilot program. The provider selected by the department must provide a career exploration system that provides pupils with at least all of the following:

(a) Integration with statewide accountability assessments and associated skills so that career exploration begins with an understanding of current student abilities.

(b) An opportunity to explore careers specific to a pupil's interest and connected to the local job market, with information on potential salaries and projections of future workforce needs.

(c) Information on what the appropriate educational path is to reach each career, with specific steps that a pupil can take in high school to reach the chosen career or careers.

(d) Ability for pupils to share career exploration plans, skill-building activities, and course recommendations with teachers, parents or guardians, and other caring individuals.

(e) Career exploration tool that includes a video component to engage pupils.

(f) A mobile-friendly platform.

(g) If a career requires a college degree, recommendations for associated majors and integration with a college planning program.

(2) The department shall make the career exploration system under subsection (1) available to districts and intermediate districts for use during the 2019-2020 school year.

(3) The department shall ensure that the career exploration program under this section does not require additional testing beyond the statewide accountability assessments.

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

Sec. 67b. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed $50,000.00 for 2019-2020 only for a grant to be distributed by the department to an organization to provide industrial and technological education and workforce preparation for students and professional development opportunities and support for teachers.

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

Sec. 74. (1) From the amount appropriated in section 11, there is allocated an amount not to exceed ~~$3,754,900.00 for 2018-2019~~ **$3,772,900.00 for 2019-2020** for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated for each fiscal year the amount necessary for payments to state supported colleges or universities and intermediate districts providing school bus driver safety instruction ~~pursuant to~~ **under** section 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The **department shall make** payments ~~shall be~~ in an amount determined by the department not to exceed the actual cost of instruction and driver compensation for each public or nonpublic school bus driver attending a course of instruction. For the purpose of computing compensation, the hourly rate allowed each school bus driver ~~shall~~ **must** not exceed the hourly rate received for driving a school bus. ~~Reimbursement~~ **The department shall make reimbursement** compensating the driver during the course of instruction ~~shall be made by the department~~ to the college or university or intermediate district providing the course of instruction.

(3) From the allocation in subsection (1), there is allocated for ~~2018-2019~~ **2019-2020** the amount necessary to pay the reasonable costs of nonspecial education auxiliary services transportation provided ~~pursuant to~~ **under** section 1323 of the revised school code, MCL 380.1323. Districts funded under this subsection ~~shall not~~ **do not** receive funding under any other section of this article for nonspecial education auxiliary services transportation.

(4) From the funds allocated in subsection (1), there is allocated an amount not to exceed ~~$1,729,900.00 for 2018-2019~~ **$1,747,900.00 for 2019-2020** for reimbursement to districts and intermediate districts for costs associated with the inspection of school buses and pupil transportation vehicles by the department of state police as required under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare a statement of costs attributable to each district for which bus inspections are provided and submit it to the department and to an intermediate district serving as fiduciary in a time and manner determined jointly by the department and the department of state police. Upon review and approval of the statement of cost, the department shall forward to the designated intermediate district serving as fiduciary the amount of the reimbursement on behalf of each district and intermediate district for costs detailed on the statement within 45 days after receipt of the statement. The designated intermediate district shall make payment in the amount specified on the statement to the department of state police within 45 days after receipt of the statement. The total reimbursement of costs under this subsection ~~shall~~ **must** not exceed the amount allocated under this subsection. Notwithstanding section 17b, **the department shall make** payments to eligible entities under this subsection ~~shall be paid~~ on a schedule prescribed by the department.

Sec. 74a. (1) From the funds appropriated in section 11, there is allocated an amount not to exceed $810,000.00 for 2018-2019 to an eligible intermediate district to implement a statewide school bus driver safety program.

(2) An intermediate district is eligible to receive funds under this section if the intermediate district meets all of the following:

(a) The total combined membership of its constituent districts is at least 7,000 and not more than 8,000.

(b) The intermediate district is located in prosperity region 4.

(c) The intermediate district consists of 2 formerly independent intermediate districts that consolidated into 1 intermediate district.

(3) A statewide school bus driver safety program funded under this section must provide transportation staff training on how to respond to acts of violence by using the model known as ~~Alert, Lockdown, Inform, Counter, Evacuate (A.L.I.C.E.) for school buses.~~**proactive response training for school bus drivers.**

(4) Notwithstanding section 17b, **the department shall make** payments ~~made~~ under this section ~~shall be provided~~ to an eligible intermediate district not later than March 1, 2019.

Sec. 81. (1) From the appropriation in section 11, there is allocated for ~~2018-2019~~ **2019-2020** to the intermediate districts the sum necessary, but not to exceed ~~$68,453,000.00~~ **$69,138,000.00,** to provide state aid to intermediate districts under this section.

(2) The amount allocated under this section to each intermediate district is an amount equal to ~~102%~~ **101%** of the amount allocated to the intermediate district under this section for ~~2017-2018. Funding~~ **2018-2019. An intermediate district shall use funding** provided under this section ~~shall be used~~ to comply with requirements of this article and the revised school code that are applicable to intermediate districts, and for which funding is not provided elsewhere in this article, and to provide technical assistance to districts as authorized by the intermediate school board.

(3) Intermediate districts receiving funds under this section ~~,~~ shall collaborate with the department to develop expanded professional development opportunities for teachers to update and expand their knowledge and skills needed to support the Michigan merit curriculum.

(4) From the allocation in subsection (1), there is allocated to an intermediate district, formed by the consolidation or annexation of 2 or more intermediate districts or the attachment of a total intermediate district to another intermediate school district or the annexation of all of the constituent K-12 districts of a previously existing intermediate school district which has disorganized, an additional allotment of $3,500.00 each fiscal year for each intermediate district included in the new intermediate district for 3 years following consolidation, annexation, or attachment.

(5) In order to receive funding under this section, an intermediate district shall do all of the following:

(a) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in pupil accounting and auditing procedures, rules, and regulations.

(b) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in rules, regulations, and district reporting procedures for the individual-level student data that serves as the basis for the calculation of the district and high school graduation and dropout rates.

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

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

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

Sec. 94. (1) From the general fund appropriation in section 11, there is allocated to the department for ~~2017-2018 an amount not to exceed $750,000.00 and there is allocated to the department for 2018-2019~~ **2019-2020** an amount not to exceed $1,000,000.00 for efforts to increase the number of pupils who participate and succeed in advanced placement and international baccalaureate programs, and ~~, beginning in 2018-2019,~~ to support the college-level examination program (CLEP).

(2) From the funds allocated under this section, the department shall award funds to cover all or part of the costs of advanced placement test fees or international baccalaureate test fees and international baccalaureate registration fees for low-income pupils who take an advanced placement or an international baccalaureate test ~~, and, beginning in 2018-2019,~~ **and** CLEP fees for low-income pupils who take a CLEP test.

(3) The department shall only award funds under this section if the department determines that all of the following criteria are met:

(a) Each pupil for whom payment is made meets eligibility requirements of the federal advanced placement test fee program under section 1701 of the no child left behind act of 2001, Public Law 107-110, or under a corresponding provision of the every student succeeds act, Public Law 114-95.

(b) The tests are administered by the college board, the international baccalaureate organization, or another test provider approved by the department.

(c) The pupil for whom payment is made pays at least $5.00 toward the cost of each test for which payment is made.

(4) The department shall establish procedures for awarding funds under this section.

(5) Notwithstanding section 17b, **the department shall make** payments under this section ~~shall be made~~ on a schedule determined by the department.

Sec. 94a. (1) There is created within the state budget office in the department of technology, management, and budget the center for educational performance and information. The center shall do all of the following:

(a) Coordinate the collection of all data required by state and federal law from districts, intermediate districts, and postsecondary institutions.

(b) Create, maintain, and enhance this state's P-20 longitudinal data system and ensure that it meets the requirements of subsection (4).

(c) Collect data in the most efficient manner possible in order to reduce the administrative burden on reporting entities, including, but not limited to, electronic transcript services.

(d) Create, maintain, and enhance this state's web-based educational portal to provide information to school leaders, teachers, researchers, and the public in compliance with all federal and state privacy laws. Data ~~shall~~ **must** include, but are not limited to, all of the following:

(*i*) Data sets that link teachers to student information, allowing districts to assess individual teacher impact on student performance and consider student growth factors in teacher and principal evaluation systems.

(*ii*) Data access or, if practical, data sets, provided for regional data hubs that, in combination with local data, can improve teaching and learning in the classroom.

(*iii*) Research-ready data sets for researchers to perform research that advances this state's educational performance.

(e) Provide data in a useful manner to allow state and local policymakers to make informed policy decisions.

(f) Provide public reports to the ~~citizens~~ **residents** of this state to allow them to assess allocation of resources and the return on their investment in the education system of this state.

(g) Other functions as assigned by the state budget director.

(2) Each state department, officer, or agency that collects information from districts, intermediate districts, or postsecondary institutions as required under state or federal law shall make arrangements with the center to ensure that the state department, officer, or agency is in compliance with subsection (1). This subsection does not apply to information collected by the department of treasury under the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL 380.1351a.

(3) The center may enter into any interlocal agreements necessary to fulfill its functions.

(4) The center shall ensure that the P-20 longitudinal data system required under subsection (1)(b) meets all of the following:

(a) Includes data at the individual student level from preschool through postsecondary education and into the workforce.

(b) Supports interoperability by using standard data structures, data formats, and data definitions to ensure linkage and connectivity in a manner that facilitates the exchange of data among agencies and institutions within the state and between states.

(c) Enables the matching of individual teacher and student records so that an individual student may be matched with those teachers providing instruction to that student.

(d) Enables the matching of individual teachers with information about their certification and the institutions that prepared and recommended those teachers for state certification.

(e) Enables data to be easily generated for continuous improvement and decision-making, including timely reporting to parents, teachers, and school leaders on student achievement.

(f) Ensures the reasonable quality, validity, and reliability of data contained in the system.

(g) Provides this state with the ability to meet federal and state reporting requirements.

(h) For data elements related to preschool through grade 12 and postsecondary, meets all of the following:

(*i*) Contains a unique statewide student identifier that does not permit a student to be individually identified by users of the system, except as allowed by federal and state law.

(*ii*) Contains student-level enrollment, demographic, and program participation information.

(*iii*) Contains student-level information about the points at which students exit, transfer in, transfer out, drop out, or complete education programs.

(*iv*) Has the capacity to communicate with higher education data systems.

(i) For data elements related to preschool through grade 12 only, meets all of the following:

(*i*) Contains yearly test records of individual students for assessments approved by DED-OESE for accountability purposes under section 1111(b) of the elementary and secondary education act of 1965, 20 USC 6311, including information on individual students not tested, by grade and subject.

(*ii*) Contains student-level transcript information, including information on courses completed and grades earned.

(*iii*) Contains student-level college readiness test scores.

(j) For data elements related to postsecondary education only:

(*i*) Contains data that provide information regarding the extent to which individual students transition successfully from secondary school to postsecondary education, including, but not limited to, all of the following:

(A) Enrollment in remedial coursework.

(B) Completion of 1 year's worth of college credit applicable to a degree within 2 years of enrollment.

(*ii*) Contains data that provide other information determined necessary to address alignment and adequate preparation for success in postsecondary education.

(5) From the general fund appropriation in section 11, there is allocated an amount not to exceed ~~$16,356,700.00 for 2018-2019~~ **$16,457,200.00 for 2019-2020** to the department of technology, management, and budget to support the operations of the center. In addition, from the federal funds appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** the amount necessary, estimated at $193,500.00, to support the operations of the center and to establish a P-20 longitudinal data system necessary for state and federal reporting purposes. The center shall cooperate with the department to ensure that this state is in compliance with federal law and is maximizing opportunities for increased federal funding to improve education in this state.

(6) From the funds allocated in subsection (5), the center may use an amount determined by the center for competitive grants for ~~2018-2019~~ **2019-2020** to support collaborative efforts on the P-20 longitudinal data system. All of the following apply to grants awarded under this subsection:

(a) The center shall award competitive grants to eligible intermediate districts or a consortium of intermediate districts based on criteria established by the center.

(b) Activities funded under the grant ~~shall~~ **must** support the P-20 longitudinal data system portal and may include portal hosting, hardware and software acquisition, maintenance, enhancements, user support and related materials, and professional learning tools and activities aimed at improving the utility of the P-20 longitudinal data system.

(c) An applicant that received a grant under this subsection for the immediately preceding fiscal year ~~shall receive~~ **has** priority for funding under this section. However, after 3 fiscal years of continuous funding, an applicant is required to compete openly with new applicants.

(7) Funds allocated under this section that are not expended in the fiscal year in which they were allocated may be carried forward to a subsequent fiscal year and are appropriated for the purposes for which the funds were originally allocated.

(8) The center may bill departments as necessary in order to fulfill reporting requirements of state and federal law. The center may also enter into agreements to supply custom data, analysis, and reporting to other principal executive departments, state agencies, local units of government, and other individuals and organizations. The center may receive and expend funds in addition to those authorized in subsection (5) to cover the costs associated with salaries, benefits, supplies, materials, and equipment necessary to provide such data, analysis, and reporting services.

(9) As used in this section:

(a) "DED-OESE" means the United States Department of Education Office of Elementary and Secondary Education.

(b) "State education agency" means the department.

Sec. 95a. (1) The educator evaluation reserve fund is created as a separate account within the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the educator evaluation reserve fund. The state treasurer shall direct the investment of the educator evaluation reserve fund. The state treasurer shall credit to the educator evaluation reserve fund interest and earnings from the educator evaluation reserve fund.

(3) Money in the educator evaluation reserve fund at the close of the fiscal year ~~shall remain in the educator evaluation reserve fund and shall not lapse~~ **lapses** to the state school aid fund**.** ~~or to the general fund.~~ The department of treasury ~~shall be~~ **is** the administrator of the educator evaluation reserve fund for auditing purposes.

(4) From the appropriations in section 11, there is allocated to the educator evaluation reserve fund for 2014-2015 an amount not to exceed $12,100,000.00 from the state school aid fund and an amount not to exceed $2,700,000.00 from the general fund. Subject to ~~subsections (5) and (6),~~ **subsection (5),** the department shall expend the money in the educator evaluation reserve fund for implementing evaluation systems for public school teachers and school administrators.

(5) ~~Funds~~ **The department shall not expend funds** in the educator evaluation reserve fund ~~shall not be expended~~ unless the state budget office has approved the department's spending plan.

Sec. 95b. (1) From the general fund appropriation under section 11, there is allocated to the department an amount not to exceed $2,500,000.00 ~~for 2018-2019~~ **for 2019-2020 only** for the department to ~~adopt~~ **continue to incorporate** a model value-added growth and projection analytics system ~~and to incorporate that model~~ into its reporting requirements under the every student succeeds act, Public Law 114-95. **It is the intent of the legislature to continue the funding under this section for 2020-2021 only if the model value-added growth and projection analytics system under this section is adopted by at least 50% of districts in 2019-2020 based on the report under subsection (5).** The adopted model ~~shall~~ **must** do at least all of the following:

(a) Utilize existing assessments and any future assessments that are suitable for measuring student growth.

(b) Report student growth measures at the district, school, teacher, and subgroup levels.

(c) Recognize the growth of tested students, including those who may have missing assessment data.

(d) Include all available prior standardized assessment data that meet inclusion criteria across grades, subjects, and state and local assessments.

(e) Allow student growth results to be disaggregated.

(f) Provide individual student projections showing the probability of a student reaching specific performance levels on future assessments.

(g) Demonstrate any prior success with this state's assessments through the Michigan council of educator effectiveness teacher evaluation pilot.

(h) Demonstrate prior statewide implementation in at least 2 other states for at least 10 years.

(i) Have a native roster verification system built into the value-added reporting platform that has been implemented statewide in at least 2 other states.

(j) Have a "Help/Contact Us" ticketing system built into the value-added reporting platform.

(2) The department shall provide internet-based electronic student growth and projection reporting based on the model adopted under subsection (1) to educators at the school, district, and state levels. The model ~~shall~~ **must** include role-based permissions that allow educators to access information about the performance of the students within their immediate responsibility in accordance with applicable privacy laws.

(3) The model adopted under subsection (1) must not be a mandatory part of teacher evaluation or educator pay-for-performance systems.

(4) The model adopted under subsection (1) must be a model that received funding under this section in ~~2017-2018.~~**2018-2019.**

(5) By March 1, 2020, the department shall work with the center to provide a report to the senate and house appropriations subcommittees on state school aid and the senate and house fiscal agencies regarding the number of districts participating in the use of the model value-added growth and projection analytics system under this section.

Sec. 97. (1) From the money appropriated under section 11, there is allocated for 2019-2020 only for the purposes of this section an amount not to exceed $5,200,000.00 from the state school aid fund and an amount not to exceed $4,800,000.00 from the general fund.

(2) From the general fund money allocated under subsection (1), the department, in consultation with the department of state police, may award up to $3,800,000.00 for a grant to support a contract for the purpose of implementing a statewide secure schools program and phone application in public and nonpublic schools that operate any of grades K to 12. The application must be able to do all of the following simultaneously:

(a) Allow authorized users to place a voice call to 911.

(b) Provide intelligent notifications through text messaging and electronic mail.

(c) Provide push notifications that contain information regarding the identity and location of the reporting party, the response type required based on the incident type, and additional location details to relevant individuals in communities to which users belong, including, but not limited to, both of the following, as applicable, based on the location and category of the emergency event:

(*i*) Key stakeholders.

(*ii*) Authorized users, including, but not limited to, all of the following:

(A) School staff.

(B) School resource officers.

(C) 911 personnel.

(D) First responder agencies.

(d) Allow 911 personnel, school officials, and first responder agencies to send messages to panic button application users both during and after emergency events in order to facilitate ongoing communications and coordination.

(3) If the department and the department of state police fund a statewide secure schools program as described in subsection (2), the program must be integrated with this state's current supplemental 911 database to maintain information voluntarily provided by individuals and facility managers through a secure web application. Any information submitted by a district under the statewide secure schools program, including, but not limited to, information regarding floor plans, automated external defibrillators, school safety plans, reunification plans, and entry or exit points, must automatically appear to 911 personnel each time the panic button application is activated.

(4) Funds allocated under subsection (2) may be used toward the initial costs associated with the implementation of a statewide secure schools program under subsection (2), including installation costs, training costs, and maintenance costs. A grant recipient may apply a portion of a grant payment awarded under subsection (2) in 2020-2021 to support ongoing costs. After 2020-2021, any ongoing costs must be supported solely by the grant recipient.

(5) The department and the department of state police may decide not to fund a statewide secure schools program as described under subsection (2).

(6) Funds remaining after any funds are allocated by the department and the department of state police for a statewide secure schools program described under subsection (2) must be used to provide and administer competitive grants to public or nonpublic schools, districts, and intermediate districts to purchase technology equipment, upgrade hardening measures, or conduct school building safety assessments to improve the safety and security of school buildings, pupils, and school staff with the goal of creating a safer school environment through equipment and technology enhancements. The department of state police, grants and community services division, shall administer the grant program described in this subsection. All grants under this subsection shall be funded on a reimbursement-only basis. Grants under this subsection must not exceed $50,000.00 for each school and $250,000.00 for each district or intermediate district.

(7) All of the following apply to the application process for funding under subsection (6):

(a) A public or nonpublic school, district, or intermediate district shall submit an application for funding under subsection (6) directly to the department of state police, grants and community services division.

(b) An application from a district or intermediate district under this subsection must be for 1 or more buildings that have some or all of pre-K to grade 12 classrooms and pupils.

(c) An applicant may submit only 1 application.

(d) An individual school may submit its own application but must not also be included in its district's application if the district submits an application under this subsection.

(e) The department of state police shall award grants to applicants based on eligibility, the project description, and whether the project reflects the highest security need of the applicant within grant funding constraints, the budget narrative, the budget, project goals, objectives, and performance measures.

(f) The department of state police shall give priority to all of the following applicants:

(*i*) Applicants seeking funding for projects that involve multiple agencies working in partnership.

(*ii*) Applicants seeking funding for proposals that seek to secure exterior access points of school buildings.

(*iii*) Applicants that did not receive a school safety grant in the past.

(*iv*) Applicants that did not receive a grant under section 1001 of article XX of 2018 PA 207 or under section 115 of 2018 PA 618.

(g) To be awarded a grant, an applicant must demonstrate proof that the school, district, or intermediate district has an emergency operation plan that had been updated after August 1, 2017 to align with the state emergency operations plan guidance and statewide school safety information policy developed under section 1308 of the revised school code, MCL 380.1308.

(h) The department of state police shall issue grant guidance and application materials, including required performance measures, not later than February 1, 2020.

(8) The department of state police shall not award funding under subsection (6) to a public or nonpublic school, district, or intermediate district in relation to the same school building more than once. If a district submits an application under subsection (7) relating to a school building and a school within that district also submits an application for funding in relation to that same school building, the department of state police shall not allocate funding under subsection (6) twice for that school building. If a school, district, or intermediate district submits more than 1 application, the department of state police shall first consider the most recent application submitted in considering funding under subsection (6).

(9) Eligible expenses for reimbursement under subsection (6) must be consistent with the recommendations of the school safety task force created by Executive Order No. 2018-5. The department of state police shall list the eligible expenses in the grant guidance and application materials described under subsection (7). The following items are not eligible expenses for which grant funds may be applied:

(a) Weapons, including tasers.

(b) Personal body armor for routine use.

(c) Construction of new facilities.

(d) Costs in applying for this grant, such as consultants and grant writers.

(e) Expenses incurred before the date of the award or after the end of the performance period of the grant award.

(f) Personnel costs or operation costs related to a capital improvement.

(g) Indirect costs or indirect administrative expenses.

(h) Travel.

(i) Contributions or donations.

(j) Management or administrative training and conferences, except as otherwise preapproved by the department of state police.

(k) Management studies or research and development.

(*l*) Memberships and dues, except for a specific requirement of the project that has been preapproved by the department of state police.

(m) Vehicles, watercraft, or aircraft, including unmanned or remotely piloted aircraft and vehicles.

(n) Service contracts and training beyond the performance period of the grant award.

(o) Food, refreshments, and snacks.

(10) A grantee under section 1001 of article XX of 2018 PA 207 or under section 115 of 2018 PA 618 is not prohibited from applying for, and receiving, a grant award under this section.

(11) The department of state police shall begin issuing awards for grants under subsection (6) not later than May 1, 2020. A project that is awarded a grant under this program must be completed by July 1, 2021.

(12) The department of state police shall report on grant activities under this section, including available performance outcomes as identified in individual grant agreements, to the senate and house appropriations subcommittees on state police, the senate and house fiscal agencies, and the state budget office by August 1, 2021.

(13) The funds allocated for school safety grants under this section for 2019-2020 are a work project appropriation, and any unexpended funds for 2019-2020 do not lapse to the general fund and are carried forward into 2020-2021. The purpose of the work project is to continue promoting safer school environments. The estimated completion date of the work project is July 1, 2021.

(14) The department of state police shall ensure that a grant to a nonpublic school under this section is funded from the general fund money allocated under this section.

Sec. 97a. (1) From the talent investment fund money appropriated under section 11, there is allocated to the department for 2019-2020 only an amount not to exceed $1,500,000.00 to be used to develop and maintain an online school employee job bank. Not later than November 15, 2019, the department, in consultation with a statewide association representing school administrators, shall begin to develop and maintain an online school employee job bank. The job bank must be completed by May 15, 2021. The department may contract for the development and maintenance of the job bank, may develop and maintain it internally, may work with the department of technology, management, and budget to develop and maintain the job bank, or may use any combination of these methods to develop and maintain the job bank.

(2) The online job bank developed under subsection (1) must meet all of the following:

(a) Is made available at no cost to all districts and intermediate districts.

(b) Is housed within the Michigan Online Educator Certification System (MOECS) and allows data from MOECS to be imported into the job bank.

(c) Provides a centralized pool of job-seeking candidates and open positions.

(d) Matches an educator's credentials to available positions, allowing districts and intermediate districts to search for applicants with specific training.

(e) Provides the option for applicants to include other critical information about employment history to prospective employers, including evaluation ratings.

(f) Offers districts and intermediate districts customization options to emphasize marketable points of pride to inform and attract applicants.

(g) Links to a larger national database.

(3) Not later than December 1, 2021, and annually thereafter, the department shall provide a report on the school employee job bank to the house and senate appropriations subcommittees on school aid, the house and senate fiscal agencies, and the state budget director. The report must provide at least the following information:

(a) The number of participating districts and intermediate districts.

(b) Measurement of outcomes and performance based on the requirements under subsection (2).

(c) Feedback from participating districts on whether the school employee job bank accomplished each of the following:

(*i*) Increased the pool of both in-state and out-of-state candidates for districts, especially districts that could not otherwise afford large-scale candidate searches.

(*ii*) Introduced cost savings for candidate searches.

(d) Analytics that help identify trends in the education job market in this state.

(e) Feedback from a survey of teachers on the advantages of the job bank and suggestions for improvement.

(4) Funds allocated under this section are a work project appropriation, and any unexpended funds for 2019-2020 do not lapse and are carried forward into 2020-2021. The purpose of the work project is to continue development and maintenance of the school employee job bank. The estimated completion date of the work project is May 15, 2023.

Sec. 98. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~$7,387,500.00~~ **$6,312,500.00** for ~~2018-2019~~ **2019-2020 and, for 2019-2020 only, from the talent investment fund money appropriated in section 11, there is allocated an amount not to exceed $1,075,000.00** for the purposes described in this section. The Michigan Virtual University shall provide a report to the legislature not later than November 1 of each year that includes its mission, its plans, and proposed benchmarks it must meet, ~~which shall include~~ **including** a plan to achieve the organizational priorities identified in this section, in order to receive full funding for ~~2019-2020.~~ **2020-2021.** Not later than March 1 of each year, the Michigan Virtual University shall provide an update to the house and senate appropriations subcommittees on school aid to show the progress being made to meet the benchmarks identified.

(2) The Michigan Virtual University shall operate the Michigan Virtual Learning Research Institute. The Michigan Virtual Learning Research Institute shall do all of the following:

(a) Support and accelerate innovation in education through the following activities:

(*i*) Test, evaluate, and recommend as appropriate new technology-based instructional tools and resources.

(*ii*) Research, design, and recommend virtual education delivery models for use by pupils and teachers that include age-appropriate multimedia instructional content.

(*iii*) Research, develop, and recommend annually to the department criteria by which cyber schools and virtual course providers should be monitored and evaluated to ensure a quality education for their pupils.

(*iv*) Based on pupil completion and performance data reported to the department or the center ~~for educational performance and information~~ from cyber schools and other virtual course providers operating in this state, analyze the effectiveness of virtual learning delivery models in preparing pupils to be college- and career-ready and publish a report that highlights enrollment totals, completion rates, and the overall impact on pupils. The ~~report shall be submitted~~ **Michigan Virtual Learning Research Institute shall submit the report** to the house and senate appropriations subcommittees on state school aid, the state budget director, the house and senate fiscal agencies, the department, districts, and intermediate districts not later than March 31 of each year.

(*v*) Provide an extensive professional development program to at least 30,000 educational personnel, including teachers, school administrators, and school board members, that focuses on the effective integration of virtual learning into curricula and instruction. The Michigan Virtual Learning Research Institute is

encouraged to work with the MiSTEM advisory council created under section 99s to coordinate professional development of teachers in applicable fields. In addition, the Michigan Virtual Learning Research Institute and external stakeholders are encouraged to coordinate with the department for professional development in this state. Not later than December 1 of each year, the Michigan Virtual Learning Research Institute shall submit a report to the house and senate appropriations subcommittees on state school aid, the state budget director, the house and senate fiscal agencies, and the department on the number of teachers, school administrators, and school board members who have received professional development services from the Michigan Virtual University. The report ~~shall~~ **must** also identify barriers and other opportunities to encourage the adoption of virtual learning in the public education system.

(*vi*) Identify and share best practices for planning, implementing, and evaluating virtual and blended education delivery models with intermediate districts, districts, and public school academies to accelerate the adoption of innovative education delivery models statewide.

(b) Provide leadership for this state's system of virtual learning education by doing the following activities:

(*i*) Develop and report policy recommendations to the governor and the legislature that accelerate the expansion of effective virtual learning in this state's schools.

(*ii*) Provide a clearinghouse for research reports, academic studies, evaluations, and other information related to virtual learning.

(*iii*) Promote and distribute the most current instructional design standards and guidelines for virtual teaching.

(*iv*) In collaboration with the department and interested colleges and universities in this state, support implementation and improvements related to effective virtual learning instruction.

(*v*) Pursue public/private partnerships that include districts to study and implement competency-based technology-rich virtual learning models.

(*vi*) Create a statewide network of school-based mentors serving as liaisons between pupils, virtual instructors, parents, and school staff, as provided by the department or the center, and provide mentors with research-based training and technical assistance designed to help more pupils be successful virtual learners.

(*vii*) Convene focus groups and conduct annual surveys of teachers, administrators, pupils, parents, and others to identify barriers and opportunities related to virtual learning.

(*viii*) Produce an annual consumer awareness report for schools and parents about effective virtual education providers and education delivery models, performance data, cost structures, and research trends.

(*ix*) Provide an internet-based platform that educators can use to create student-centric learning tools and resources for sharing in the state's open educational resource repository and facilitate a user network that assists educators in using the content creation platform and state repository for open educational resources. As part of this initiative, the Michigan Virtual University shall work collaboratively with districts and intermediate districts to establish a plan to make available virtual resources that align to Michigan's K-12 curriculum standards for use by students, educators, and parents.

(*x*) Create and maintain a public statewide catalog of virtual learning courses being offered by all public schools and community colleges in this state. The Michigan Virtual Learning Research Institute shall identify and develop a list of nationally recognized best practices for virtual learning and use this list to support reviews of virtual course vendors, courses, and instructional practices. The Michigan Virtual Learning Research Institute shall also provide a mechanism for intermediate districts to use the identified best practices to review content offered by constituent districts. The Michigan Virtual Learning Research Institute shall review the virtual course offerings of the Michigan Virtual University, and make the results from these reviews available to the public as part of the statewide catalog. The Michigan Virtual Learning Research Institute shall ensure that the statewide catalog is made available to the public on the Michigan Virtual University website and shall allow the ability to link it to each district's website as provided for in section 21f. The statewide catalog ~~shall~~ **must** also contain all of the following:

(A) The number of enrollments in each virtual course in the immediately preceding school year.

(B) The number of enrollments that earned 60% or more of the total course points for each virtual course in the immediately preceding school year.

(C) The pass rate for each virtual course.

(*xi*) Support registration, payment services, and transcript functionality for the statewide catalog and train key stakeholders on how to use new features.

(*xii*) Collaborate with key stakeholders to examine district level accountability and teacher effectiveness issues related to virtual learning under section 21f and make findings and recommendations publicly available.

(*xiii*) Provide a report on the activities of the Michigan Virtual Learning Research Institute.

(3) To further enhance its expertise and leadership in virtual learning, the Michigan Virtual University shall continue to operate the Michigan Virtual School as a statewide laboratory and quality model of instruction by implementing virtual and blended learning solutions for Michigan schools in accordance with the following parameters:

(a) The Michigan Virtual School must maintain its accreditation status from recognized national and international accrediting entities.

(b) The Michigan Virtual University shall use no more than $1,000,000.00 of the amount allocated under this section to subsidize the cost paid by districts for virtual courses.

(c) In providing educators responsible for the teaching of virtual courses as provided for in this section, the Michigan Virtual School shall follow the requirements to request and assess, and the department of state police shall provide, a criminal history check and criminal records check under sections 1230 and 1230a of the revised school code, MCL 380.1230 and 380.1230a, in the same manner as if the Michigan Virtual School were a school district under those sections.

(4) From the funds allocated under subsection (1), the Michigan Virtual University shall allocate up to $500,000.00 to support the expansion of new online and blended educator professional development programs.

(5) If the course offerings are included in the statewide catalog of virtual courses under subsection (2)(b)(*x*), the Michigan Virtual School operated by the Michigan Virtual University may offer virtual course offerings, including, but not limited to, all of the following:

(a) Information technology courses.

(b) College level equivalent courses, as defined in section 1471 of the revised school code, MCL 380.1471.

(c) Courses and dual enrollment opportunities.

(d) Programs and services for at-risk pupils.

(e) High school equivalency test preparation courses for adjudicated youth.

(f) Special interest courses.

(g) Professional development programs for teachers, school administrators, other school employees, and school board members.

(6) If a home-schooled or nonpublic school student is a resident of a district that subscribes to services provided by the Michigan Virtual School, the student may use the services provided by the Michigan Virtual School to the district without charge to the student beyond what is charged to a district pupil using the same services.

(7) Not later than December 1 of each fiscal year, the Michigan Virtual University shall provide a report to the house and senate appropriations subcommittees on state school aid, the state budget director, the house and senate fiscal agencies, and the department that includes at least all of the following information related to the Michigan Virtual School for the preceding state fiscal year:

(a) A list of the districts served by the Michigan Virtual School.

(b) A list of virtual course titles available to districts.

(c) The total number of virtual course enrollments and information on registrations and completions by course.

(d) The overall course completion rate percentage.

(8) In addition to the information listed in subsection (7), the report under subsection (7) ~~shall~~ **must** also include a plan to serve at least 600 schools with courses from the Michigan Virtual School or with content available through the internet-based platform identified in subsection (2)(b)(*ix*).

(9) The governor may appoint an advisory group for the Michigan Virtual Learning Research Institute established under subsection (2). The members of the advisory group ~~shall~~ serve at the pleasure of the governor and ~~shall serve~~ without compensation. The purpose of the advisory group is to make recommendations to the governor, the legislature, and the president and board of the Michigan Virtual University that will accelerate innovation in this state's education system in a manner that will prepare elementary and secondary students to be career and college ready and that will promote the goal of increasing the percentage of ~~citizens~~ **residents** of this state with high-quality degrees and credentials to at least 60% by 2025.

(10) Not later than November 1 of each year, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on state school aid, the state budget director, and the house and senate fiscal agencies a detailed budget for that fiscal year that includes a breakdown on its projected costs to deliver virtual educational services to districts and a summary of the anticipated fees to be paid by districts for those services. Not later than March 1 each year, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on state school aid, the state budget director, and the house and senate fiscal agencies a breakdown on its actual costs to deliver virtual educational services to districts and a summary of the actual fees paid by districts for those services based on audited financial statements for the immediately preceding fiscal year.

(11) As used in this section:

(a) "Blended learning" means a hybrid instructional delivery model where pupils are provided content, instruction, and assessment, in part at a supervised educational facility away from home where the pupil and a teacher with a valid Michigan teaching certificate are in the same physical location and in part through internet-connected learning environments with some degree of pupil control over time, location, and pace of instruction.

(b) "Cyber school" means a full-time instructional program of virtual courses for pupils that may or may not require attendance at a physical school location.

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

(12) It is the intent of the legislature not to allocate an amount greater than $6,342,500.00 for 2020-2021 for the purposes of this section.

Sec. 99h. (1) From the state school aid fund appropriation in section 11, there is allocated ~~an amount not to exceed $3,000,000.00 for 2017-2018 and~~ an amount not to exceed ~~$4,500,000.00~~ **$4,700,000.00** for ~~2018-2019~~ **2019-2020** for competitive grants to districts and intermediate districts, and from the general fund appropriation in section 11, there is allocated an amount not to exceed $300,000.00 ~~each fiscal year for 2017-2018 and for 2018-2019~~ **for 2019-2020** for competitive grants to nonpublic schools that provide pupils in grades K to 12 with expanded opportunities to improve mathematics, science, and technology skills by participating in events hosted by a science and technology development program known as FIRST (for inspiration and recognition of science and technology) Robotics, including JR FIRST Lego League, FIRST Lego League, FIRST Tech challenge, and FIRST Robotics competition, or ~~, beginning in 2018-2019,~~ other competitive robotics programs, including **VEX and** those hosted by the Robotics Education and Competition (REC) Foundation. Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments and to increase the number of pupils who are college- and career-ready upon high school graduation. Notwithstanding section 17b, **the department shall make** grant payments to districts, nonpublic schools, and intermediate districts under this section ~~shall be paid~~ on a schedule determined by the department. The department shall set maximum grant awards for each different level of competition in a manner that both maximizes the number of teams that will be able to receive funds and expands the geographical distribution of teams.

(2) A district, nonpublic school, or intermediate district applying for a grant under this section shall submit an application in a form and manner determined by the department. To be eligible for a grant, a district, nonpublic school, or intermediate district shall demonstrate in its application that the district, nonpublic school, or intermediate district has established a partnership for the purposes of the robotics program with at least 1 sponsor, business entity, higher education institution, or technical school, shall submit a spending plan, and shall pay at least 25% of the cost of the robotics program.

(3) The department shall distribute the grant funding under this section for the following purposes:

(a) Grants to districts, nonpublic schools, or intermediate districts to pay for stipends not to exceed $1,500.00 for 1 coach per team.

(b) Grants to districts, nonpublic schools, or intermediate districts for event registrations, materials, travel costs, and other expenses associated with the preparation for and attendance at robotics events and competitions. Each grant recipient shall provide a local match from other private or local funds for the funds received under this subdivision equal to at least 50% of the costs of participating in an event.

(c) Grants to districts, nonpublic schools, or intermediate districts for awards to teams that advance to the state and world championship competitions. The department shall determine an equal amount per team for those teams that advance to the state championship and a second equal award amount to those teams that advance to the world championship.

(4) A nonpublic school that receives a grant under this section may use the funds for either robotics or Science Olympiad programs.

(5) To be eligible to receive funds under this section, a nonpublic school must be a nonpublic school registered with the department and must meet all applicable state reporting requirements for nonpublic schools.

(6) The funds allocated under this section for ~~2017-2018~~ **2018-2019** are a work project appropriation, and any unexpended funds for ~~2017-2018~~ **2018-2019** are carried forward into ~~2018-2019.~~ **2019-2020.** The purpose of the work project is to continue support of FIRST Robotics and must not be used to support other robotics competitions. The estimated completion date of the work project is September 30, ~~2020.~~ **2021.**

Sec. 99s. (1) From the funds appropriated under section 11, there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed $7,634,300.00 from the state school aid fund appropriation and an amount not to exceed $300,000.00 from the general fund appropriation for Michigan science, technology, engineering, and mathematics (MiSTEM) programs. In addition, from the federal funds appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** an amount estimated at ~~$3,500,000.00~~ **$235,000.00** from DED-OESE, title II, mathematics and science partnership grants. **The MiSTEM network may receive funds from private sources. If the MiSTEM network receives funds from private sources, the MiSTEM network shall expend those funds in alignment with the statewide STEM strategy.** Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments and to increase the number of pupils who are college- and career-ready upon high school graduation. Notwithstanding section 17b, **the department shall make** payments under this section ~~shall be paid~~ on a schedule determined by the department.

(2) All of the following apply to the MiSTEM advisory council:

(a) The MiSTEM advisory council is created. The MiSTEM advisory council shall provide to the governor, legislature, department of ~~talent and economic development,~~ **labor and economic opportunity,** and department recommendations designed to improve and promote innovation in STEM education and to prepare students for careers in science, technology, engineering, and mathematics.

(b) The MiSTEM advisory council created under subdivision (a) ~~shall consist~~ **consists** of the following members:

(*i*) The governor shall appoint 11 voting members who are representative of business sectors that are important to Michigan's economy and rely on a STEM-educated workforce, nonprofit organizations and associations that promote STEM education, K-12 and postsecondary education entities involved in STEM-related career education, or other sectors as considered appropriate by the governor. Each of these members ~~shall serve~~ **serves** at the pleasure of the governor and for a term determined by the governor.

(*ii*) The senate majority leader shall appoint 2 members of the senate to serve as nonvoting, ex-officio members of the MiSTEM advisory council, including 1 majority party member and 1 minority party member.

(*iii*) The speaker of the house of representatives shall appoint 2 members of the house of representatives to serve as nonvoting, ex-officio members of the MiSTEM advisory council, including 1 majority party member and 1 minority party member.

(*iv*) The governor shall appoint 1 state officer or employee to serve as a nonvoting, ex-officio member of the MiSTEM advisory council.

(c) Each member of the MiSTEM advisory council ~~shall serve~~ **serves** without compensation.

(d) The MiSTEM advisory council annually shall review and make recommendations to the governor, the legislature, and the department concerning changes to the statewide strategy adopted by the council for delivering STEM education-related opportunities to pupils. The MiSTEM advisory council shall use funds received under this subsection to ensure that its members or their designees are trained in the Change the Equation STEMworks rating system program for the purpose of rating STEM programs.

(e) The MiSTEM advisory council shall make specific funding recommendations for the funds allocated under subsection (3) by December 15 of each fiscal year. Each specific funding recommendation ~~shall~~ **must** be for a program approved by the MiSTEM advisory council. To be eligible for MiSTEM advisory council approval, a program must satisfy all of the following:

(*i*) Align with this state's academic standards.

(*ii*) Have STEMworks certification.

(*iii*) Provide project-based experiential learning, student programming, or educator professional learning experiences.

(*iv*) Focus predominantly on classroom-based STEM experiences or professional learning experiences.

(f) The MiSTEM advisory council shall approve programs that represent all network regions and include a diverse array of options for students and educators and at least 1 program in each of the following areas:

(*i*) Robotics.

(*ii*) Computer science or coding.

(*iii*) Engineering or bioscience.

(g) The MiSTEM advisory council is encouraged to work with the MiSTEM network to develop locally and regionally developed programs and professional ~~development~~ **learning** experiences for the programs on the list of approved programs.

(h) If the MiSTEM advisory council is unable to make specific funding recommendations by December 15 of a fiscal year, the department shall award and distribute the funds allocated under subsection (3) on a competitive grant basis that at least follows the statewide STEM strategy plan and rating system recommended by the MiSTEM advisory council. Each grant must provide STEM education-related opportunities for pupils.

(i) The MiSTEM advisory council shall work with the executive director of the MiSTEM network to implement the statewide STEM strategy adopted by the MiSTEM advisory council.

(3) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed $3,050,000.00 for the purpose of funding programs under this section for ~~2018-2019,~~ **2019-2020,** as recommended by the MiSTEM advisory council.

(4) From the school aid fund allocation under subsection (1), there is allocated an amount not to exceed $3,834,300.00 for ~~2018-2019~~ **2019-2020** to support the activities and programs of the MiSTEM network regions. In addition, from the federal funds allocated under subsection (1), there is allocated for ~~2018-2019~~ **2019-2020** an amount estimated at ~~$3,500,000.00~~ **$235,000.00** from DED-OESE, title II, mathematics and science partnership grants, for the purposes of this subsection. ~~Beginning in 2018-2019, the~~ **From the money allocated under this subsection, the department shall award the** fiscal agent for each MiSTEM network region ~~shall receive~~ $200,000.00 for the base operations of each region. The **department shall distribute the** remaining funds ~~will be distributed~~ to each fiscal agent in an equal amount per pupil, based on the number of K to 12 pupils enrolled in districts within each region in the ~~prior~~ **immediately preceding** fiscal year.

(5) A MiSTEM network region shall do all of the following:

(a) Collaborate with the career and educational advisory council that is located in the MiSTEM region to develop a regional strategic plan for STEM education that creates a robust regional STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils. At a minimum, a regional STEM strategic plan should do all of the following:

(*i*) Identify regional employer need for STEM.

(*ii*) Identify processes for regional employers and educators to create guided pathways for STEM careers that include internships or externships, apprenticeships, and other experiential engagements for pupils.

(*iii*) Identify educator professional development opportunities, including internships or externships and apprenticeships, that integrate this state's science standards into high-quality STEM experiences that engage pupils.

(b) Facilitate regional STEM events such as educator and employer networking and STEM career fairs to raise STEM awareness.

(c) Contribute to the MiSTEM website and engage in other MiSTEM network functions to further the mission of STEM in this state in coordination with the MiSTEM advisory council and its executive director.

(d) Facilitate application and implementation of state and federal funds under this subsection and any other grants or funds for the MiSTEM network region.

(e) Work with districts to provide STEM programming and professional ~~development.~~**learning.**

(f) Coordinate recurring discussions and work with the career and educational advisory council to ensure that feedback and best practices are being shared, including funding, program, professional learning opportunities, and regional strategic plans.

(6) From the school aid funds allocated under subsection (1), the department shall distribute for ~~2018-2019~~ **2019-2020** an amount not to exceed $750,000.00, in a form and manner determined by the department, to those network regions able to provide curriculum and professional development support to assist districts in implementing the Michigan merit curriculum components for mathematics and science.

(7) In order to receive state or federal funds under subsection (4) or (6), **or to receive funds from private sources as authorized under subsection (1),** a grant recipient ~~shall~~ **must** allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The grant recipient shall reimburse the state for all disallowances found in the audit.

(8) In order to receive state funds under subsection (4) or (6), a grant recipient ~~shall~~ **must** provide at least a 10% local match from local public or private resources for the funds received under this subsection.

(9) Not later than July 1, 2019 and July 1 of each year thereafter, a MiSTEM network region that receives funds under subsection (4) shall report to the executive director of the MiSTEM network in a form and manner prescribed by the executive director on performance measures developed by the MiSTEM network regions and approved by the executive director. The performance measures ~~shall~~ **must** be designed to ensure that the activities of the MiSTEM network are improving student academic outcomes.

(10) Not more than 5% of a MiSTEM network region grant under subsection (4) or (6) may be retained by a fiscal agent for serving as the fiscal agent of a MiSTEM network region.

(11) From the general fund allocation under subsection (1), there is allocated an amount not to exceed $300,000.00 to the department of ~~technology, management, and budget~~ **labor and economic opportunity** to support the functions of the executive director and executive assistant for the MiSTEM network, and for administrative, training, and travel costs related to the MiSTEM advisory council. The executive director and executive assistant for the MiSTEM network shall do all of the following:

(a) Serve as a liaison among and between the department, the department of ~~technology, management, and budget,~~ **labor and economic opportunity,** the MiSTEM advisory council, ~~the Michigan mathematics and~~

~~science centers network,~~ the governor's **future** talent ~~investment board, the general education leadership network, and~~ **council,** the MiSTEM regions**, and any other relevant organization or entity** in a manner that creates a robust statewide STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils.

(b) Coordinate the implementation of a marketing campaign, including, but not limited to, a website that includes dashboards of outcomes, to build STEM awareness and communicate STEM needs and opportunities to pupils, parents, educators, and the business community.

(c) Work with the department and the MiSTEM advisory council to coordinate, award, and monitor MiSTEM state and federal grants to the MiSTEM network regions and conduct reviews of grant recipients, including, but not limited to, pupil experience and feedback.

(d) Report to the governor, the legislature, the department, and the MiSTEM advisory council annually on the activities and performance of the MiSTEM network regions.

(e) Coordinate recurring discussions and work with regional staff to ensure that a network or loop of feedback and best practices are shared, including funding, programming, professional learning opportunities, discussion of MiSTEM strategic vision, and regional objectives.

(f) Coordinate major grant application efforts with the MiSTEM advisory council to assist regional staff with grant applications on a local level. The MiSTEM advisory council shall leverage private and nonprofit relationships to coordinate and align private funds in addition to funds appropriated under this section.

(g) Train state and regional staff in the STEMworks rating system, in collaboration with the MiSTEM advisory council and the department.

(h) ~~Collaborate with the MiSTEM network to hire~~ **Hire** MiSTEM network region staff **in collaboration with the network region fiscal agent**.

(12) As used in this section:

(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

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

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

(d) "STEM" means science, technology, engineering, and mathematics delivered in an integrated fashion using cross-disciplinary learning experiences that can include language arts, performing and fine arts, and career and technical education.

Sec. 99t. (1) From the ~~general~~ **talent investment** fund ~~appropriation~~ **money appropriated** under section 11, there is allocated an amount not to exceed $1,500,000.00 for ~~2018-2019~~ **2019-2020 only** to purchase statewide access to an online algebra tool that meets all of the following:

(a) Provides students statewide with complete access to videos aligned with state standards including study guides and workbooks that are aligned with the videos.

(b) Provides students statewide with access to a personalized online algebra learning tool including adaptive diagnostics.

(c) Provides students statewide with dynamic algebra practice assessments that emulate the state assessment with immediate feedback and help solving problems.

(d) Provides students statewide with online access to algebra help 24 hours a day and 7 days a week from study experts, teachers, and peers on a moderated social networking platform.

(e) Provides an online algebra professional development network for teachers.

(f) Is already provided under a statewide contract in at least 1 other state that has a population of at least 18,000,000 but not more than 19,000,000 according to the most recent decennial census and is offered in that state in partnership with a public university.

(2) The department shall purchase the online algebra tool that was chosen under this section in 2016-2017.

(3) A grantee receiving funding under this section shall comply with the requirements of section 19b.

(4) It is the intent of the legislature that funding allocated for the purposes under this section for 2019-2020 must not be allocated for 2020-2021 for those purposes.

Sec. 99u. (1) From the ~~general~~ **talent investment** fund ~~appropriation~~ **money appropriated** under section 11, there is allocated for ~~2018-2019~~ **2019-2020 only** an amount not to exceed $1,500,000.00 to purchase statewide access to ~~an online mathematics tool that meets~~ **1 or more online mathematics tools. The department shall select 1 or more vendors for the purposes of this subsection using a competitive proposal process. An online mathematics tool purchased under this subsection must meet at least** all of the following:

(a) Provides students statewide with complete access to mathematics support aligned with state standards through a program that has all of the following elements:

(*i*) Student motivation.

(*ii*) Valid and reliable assessments.

(*iii*) Personalized learning pathways.

(*iv*) Highly qualified, live teachers available all day and all year.

(*v*) Twenty-four-hour reporting.

(*vi*) Content built for rigorous mathematics.

(b) Has a record of improving student mathematics scores in at least 5 other states.

~~(c) Received funding under this section in 2017-2018.~~

(2) A grantee that receives funding under this section shall comply with the requirements of section 19b.

(3) In addition to the funds allocated under subsection (1), from the ~~general~~ **talent investment** fund ~~appropriation in~~ **money appropriated under** section 11, there is allocated for ~~2018-2019~~ **2019-2020 only** an amount not to exceed $500,000.00 for a **grant for 1 or more** software-based ~~solution~~ **solutions** designed to teach Spanish language literacy to students in pre-kindergarten through first grade. ~~A program funded under this subsection shall be a grant to the~~ **The department shall select 1 or more vendors for the purposes of this subsection using a competitive proposal process. An** eligible provider ~~that promotes~~ **shall promote** bilingualism and biliteracy ~~, and is~~ based on research that shows how students who become proficient readers in their first language have an easier time making the transition to reading proficiency in a second language. ~~A provider of programming under subsection (1) is the eligible provider of programming under this subsection.~~

(4) In addition to the funds allocated under subsection (1), from the ~~general~~ **talent investment** fund money appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020 only** an amount not to exceed $1,000,000.00 for ~~a pilot program~~ **a grant for 1 or more programs** to provide explicit, targeted literacy instruction within an individualized learning path that continually adjusts to a pupil's needs. ~~A program funded under this subsection shall be a grant to the~~ **The department shall select 1 or more vendors for the purposes of this subsection using a competitive proposal process. An** eligible provider ~~that promotes~~ **shall promote** literacy by teaching critical language and literacy concepts such as reading and listening comprehension, basic vocabulary, academic language, grammar, phonological awareness, phonics, and fluency. ~~A pilot program funded under this subsection shall cover both the remainder of 2018-2019 and also the entire 2019-2020 school year. A provider of programming under subsection (1) is the eligible provider of programming under this subsection.~~

(5) Notwithstanding section 17b, **the department shall make** payments ~~made~~ under this section ~~shall be made~~ not later than ~~March 1,~~ **December 1,** 2019.

Sec. 99v. **(1)** From the ~~general~~ **talent investment** fund ~~appropriation in~~ **money appropriated under** section 11, there is allocated an amount not to exceed $25,000.00 for ~~2018-2019~~ **2019-2020 only** for a grant to be distributed by the department to a provider that develops and scales effective innovations to support educators, administrators, and policymakers in creating seamless transitions throughout the K-14 system for all students, especially the underserved. A grantee must have expertise in K-12 services, online course programs, digital platform services, leadership networks, and higher education, and work to develop a mathematics pathways alignment. A grantee that receives a grant under this section shall facilitate a 2-day math workshop with high school and college faculty focused on sharing information about high-impact practices, defining the problem or problems, and using data and planning strategies to address those problems. In addition, the grantee shall use funds to conduct 3 virtual check-ins during which the working groups will report on progress and identify challenges and questions, with the grantee providing guidance and resources as appropriate.

(2) It is the intent of the legislature that funding allocated for the purposes under this section for 2019-2020 must not be allocated for 2020-2021 for those purposes.

Sec. 99w. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~$500,000.00~~ **$250,000.00** for ~~2018-2019~~ **2019-2020 and there is allocated an amount not to exceed $250,000.00 from the talent investment fund money appropriated under section 11 for 2019-2020 only** to facilitate a culture of health and physical activity as part of daily life. ~~Funding~~ **The department shall use the funding** under this section ~~shall be~~ **for** a grant to the Michigan Fitness Foundation to work with the department to invest in a physical education curriculum. Funding under this section may support staff, evaluation, assessment, technology, meetings, training, travel, materials, and other administrative expenses in support of an updated physical education curriculum. Funding under this section may be used as matching dollars to qualify for federal and private resources to support physical education.

(2) Notwithstanding section 17b, **the department shall make** payments made under this section ~~shall be made~~ not later than ~~March 1,~~ **December 15,** 2019.

Sec. 99x. (1) From the general fund money appropriated under section 11, there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed ~~$300,000.00~~ **$800,000.00** for Teach for America to host a summer training institute in the city of Detroit, recruit teachers into a master teacher fellowship, and retain a committed alumni community. A program funded under this section must provide coaching and professional development, with the goal to produce highly effective teachers that move pupils beyond their growth benchmarks.

(2) Notwithstanding section 17b, **the department shall make** payments made under this section ~~shall be made~~ not later than ~~March 1,~~ **December 15,** 2019.

(3) It is the intent of the legislature not to allocate an amount greater than $400,000.00 for 2020-2021 for the purposes of this section.

Sec. 99z. (1) From the talent investment fund money appropriated under section 11, there is allocated to the department an amount not to exceed $300,000.00 for 2019-2020 only for funding a program that provides teacher STEM professional development and workshops, and enables high school students to incorporate innovation and engineering into the design of a wide variety of complex vehicles. To be eligible for funding under this section, a program must provide an underwater innovative vehicle design challenge, an autonomous innovative vehicle design challenge, a mini innovative vehicle design challenge, and a full-scale innovative vehicle design challenge.

(2) Notwithstanding section 17b, the department shall make payments under this section not later than December 15, 2019.

Sec. 99bb. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed $250,000.00 for 2019-2020 only for the purposes of this section. The department shall establish a grant program to distribute this funding to 1 eligible nonprofit organization described under subsection (3) to be used in the manner described under subsection (4).

(2) A nonprofit organization shall apply for funding under this section in the form and manner prescribed by the department.

(3) A nonprofit organization that meets all of the following is an eligible nonprofit organization under this section:

(a) Is an organization that is not operated for profit and is exempt from federal income tax under section 501(c)(3)or 501(c)(4) of the internal revenue code, 26 USC 501.

(b) Has chapters and provides its services in at least 10 schools, colleges, or universities in this state.

(c) Provides services to aid individuals with intellectual and developmental disabilities.

(4) The eligible nonprofit organization that receives funding under this section shall use the funds to accomplish at least both of the following:

(a) Create opportunities for 1-on-1 friendships, integrated employment, and leadership development for individuals with intellectual and developmental disabilities.

(b) Provide resources to individuals with intellectual and developmental disabilities to aid those individuals with all of the following:

(*i*) Gaining access to employment opportunities.

(*ii*) Relational skills.

(*iii*) Communication skills.

(*iv*) Integration into communities.

(*v*) Any other skills that better the lives of individuals with intellectual and developmental disabilities.

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

Sec. 101. (1) To be eligible to receive state aid under this article, not later than the fifth Wednesday after the pupil membership count day and not later than the fifth Wednesday after the supplemental count day, each district superintendent shall submit **and certify** to the center and the intermediate superintendent, in the form and manner prescribed by the center, the number of pupils enrolled and in regular daily attendance**, including identification of tuition-paying pupils,** in the district as of the pupil membership count day and as of the supplemental count day, as applicable, for the current school year. In addition, a district maintaining school during the entire year ~~, as provided under section 1561 of the revised school code, MCL 380.1561,~~ shall submit **and certify** to the center and the intermediate superintendent, in the form and manner prescribed by the center, the number of pupils enrolled and in regular daily attendance in the district for the current school year pursuant to rules promulgated by the superintendent. Not later than the sixth Wednesday after the pupil membership count day and not later than the sixth Wednesday after the supplemental count day, the district shall ~~certify~~ **resolve any pupil membership conflicts with another district, correct any data issues, and recertify** the data in a form and manner prescribed by the center and file the certified data with the intermediate superintendent. If a district fails to submit and certify the attendance data, as required under this subsection, the center shall notify the department and **the department shall withhold** state aid due to be distributed under this article ~~shall be withheld~~ from the defaulting district immediately, beginning with the next payment after the failure and continuing with each payment until the district complies with this subsection. If a district does not comply with this subsection by the end of the fiscal year, the district forfeits the amount withheld. A person who willfully falsifies a figure or statement in the certified and sworn copy of enrollment ~~shall be punished in the manner~~ **is subject to penalty as** prescribed by section 161.

(2) To be eligible to receive state aid under this article, not later than the twenty-fourth Wednesday after the pupil membership count day and not later than the twenty-fourth Wednesday after the supplemental count day, an intermediate district shall submit to the center, in a form and manner prescribed by the center, the audited enrollment and attendance data for the pupils of its constituent districts and of the intermediate district. If an intermediate district fails to submit the audited data as required under this subsection, **the department shall withhold** state aid due to be distributed under this article ~~shall be withheld~~ from the defaulting intermediate district immediately, beginning with the next payment after the failure and continuing with each payment until the intermediate district complies with this subsection. If an intermediate district does not comply with this subsection by the end of the fiscal year, the intermediate district forfeits the amount withheld.

(3) Except as otherwise provided in subsections (11) and (12), all of the following apply to the provision of pupil instruction:

(a) Except as otherwise provided in this section, each district shall provide at least 1,098 hours and ~~, beginning in 2010-2011, the required minimum number of~~ **180** days of pupil instruction. ~~Beginning in 2014-2015, the required minimum number of days of pupil instruction is 175. However, all of the following apply to these requirements:~~

~~(*i*) If a collective bargaining agreement that provides a complete school calendar was in effect for employees of a district as of July 1, 2013, and if that school calendar is not in compliance with this subsection, then this subsection does not apply to that district until after the expiration of that collective bargaining agreement. If a district entered into a collective bargaining agreement on or after July 1, 2013 and if that collective bargaining agreement did not provide for at least 175 days of pupil instruction beginning in 2014-2015, then the department shall withhold from the district's total state school aid an amount equal to 5% of the funding the district receives in 2014-2015 under sections 22a and 22b.~~

~~(*ii*) A district may apply for a waiver under subsection (9) from the requirements of this subdivision.~~

~~(b) Beginning in 2016-2017, the required minimum number of days of pupil instruction is 180.~~ If a collective bargaining agreement that provides a complete school calendar was in effect for employees of a district as of June 24, 2014, and if that school calendar is not in compliance with this subdivision, then this subdivision does not apply to that district until after the expiration of that collective bargaining agreement. A district may apply for a waiver under subsection (9) from the requirements of this subdivision.

(b) ~~(c)~~ Except as otherwise provided in this article, a district failing to comply with the required minimum hours and days of pupil instruction under this subsection ~~shall forfeit~~ **forfeits** from its total state aid allocation an amount determined by applying a ratio of the number of hours or days the district was in noncompliance in relation to the required minimum number of hours and days under this subsection. Not later than August 1, the board of each district shall either certify to the department that the district was in full compliance with this section regarding the number of hours and days of pupil instruction in the previous school year, or report to the department, in a form and manner prescribed by the center, each instance of noncompliance. If the district did not provide at least the required minimum number of hours and days of pupil instruction under this subsection, **the department shall make** the deduction of state aid ~~shall be made~~ in the following fiscal year from the first payment of state school aid. A district is not subject to forfeiture of funds under this subsection for a fiscal year in which a forfeiture was already imposed under subsection (6).

(c) ~~(d)~~ Hours or days lost because of strikes or teachers' conferences ~~shall~~ **are** not ~~be~~ counted as hours or days of pupil instruction.

~~(e) If a collective bargaining agreement that provides a complete school calendar is in effect for employees of a district as of October 19, 2009, and if that school calendar is not in compliance with this subsection, then this subsection does not apply to that district until after the expiration of that collective bargaining agreement.~~

(d) ~~(f)~~ Except as otherwise provided in subdivisions ~~(g) and (h),~~ **(e) and (f), if** a district ~~not having~~ **does not have** at least 75% of the district's membership in attendance on any day of pupil instruction**,** ~~shall receive~~ **the department shall pay the district** state aid in that proportion of 1/180 that the actual percent of attendance bears to ~~the specified percentage.~~**75%.**

(e) ~~(g)~~ If a district adds 1 or more days of pupil instruction to the end of its instructional calendar for a school year to comply with subdivision (a) because the district otherwise would fail to provide the required minimum number of days of pupil instruction even after the operation of subsection (4) due to conditions not within the control of school authorities, then subdivision ~~(f)~~ **(d)** does not apply for any day of pupil instruction that is added to the end of the instructional calendar. Instead, for any of those days, if the district does not have at least 60% of the district's membership in attendance on that day, **the department shall pay** the district ~~shall receive~~ state aid in that proportion of 1/180 that the actual percentage of attendance bears to ~~the specified percentage.~~ **60%.** For any day of pupil instruction added to the instructional calendar as described in this subdivision, the district shall report to the department the percentage of the district's membership that is in attendance, in the form and manner prescribed by the department.

(f) ~~(h)~~ At the request of a district that operates a department-approved alternative education program and that does not provide instruction for pupils in all of grades K to 12, the superintendent shall grant a waiver from the requirements of subdivision ~~(f).~~ **(d).** The waiver ~~shall indicate~~ **must provide** that an eligible district is subject to the proration provisions of subdivision ~~(f)~~ **(d)** only if the district does not have at least 50% of the district's membership in attendance on any day of pupil instruction. In order to be eligible for this waiver, a district must maintain records to substantiate its compliance with the following requirements:

(*i*) The district offers the minimum hours of pupil instruction as required under this section.

(*ii*) For each enrolled pupil, the district uses appropriate academic assessments to develop an individual education plan that leads to a high school diploma.

(*iii*) The district tests each pupil to determine academic progress at regular intervals and records the results of those tests in that pupil's individual education plan.

(g) ~~(i)~~ All of the following apply to a waiver granted under subdivision ~~(h):~~**(f):**

(*i*) If the waiver is for a blended model of delivery, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(*ii*) If the waiver is for a 100% online model of delivery and the educational program for which the waiver is granted makes educational services available to pupils for a minimum of at least 1,098 hours during a school year and ensures that each pupil participates in the educational program for at least 1,098 hours during a school year, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(*iii*) A waiver that is not a waiver described in subparagraph (*i*) or (*ii*) is valid for 1 fiscal year and must be renewed annually to remain in effect.

(h) ~~(j)~~ The superintendent shall promulgate rules for the implementation of this subsection.

(4) Except as otherwise provided in this subsection, the first 6 days or the equivalent number of hours for which pupil instruction is not provided because of conditions not within the control of school authorities, such as severe storms, fires, epidemics, utility power unavailability, water or sewer failure, or health conditions as defined by the city, county, or state health authorities, are counted as hours and days of pupil instruction. For 2018-2019 only, in addition to these 6 days, if pupil instruction is not provided on 1 or more days that are included in a period for which the governor has issued an executive order declaring a state of emergency across this state, upon request by a district to the superintendent of public instruction, in a form and manner prescribed by the department, that 1 or more of those days and the equivalent number of hours count as days and hours of pupil instruction, the department shall count those requested days and the equivalent number of hours as days and hours of pupil instruction for the purposes of this section. For 2018-2019, the days included in the executive order are January 29, 2019 to February 2, 2019. With the approval of the superintendent of public instruction, the department shall count as hours and days of pupil instruction for a fiscal year not more than 3 additional days or the equivalent number of additional hours for which pupil instruction is not provided in a district due to unusual and extenuating occurrences resulting from conditions not within the control of school authorities such as those conditions described in this subsection. Subsequent such hours or days ~~shall not be~~ **are not** counted as hours or days of pupil instruction.

(5) A district ~~shall~~ **does** not forfeit part of its state aid appropriation because it adopts or has in existence an alternative scheduling program for pupils in kindergarten if the program provides at least the number of hours required under subsection (3) for a full-time equated membership for a pupil in kindergarten as provided under section 6(4).

(6) In addition to any other penalty or forfeiture under this section, if at any time the department determines that 1 or more of the following have occurred in a district, the district ~~shall forfeit~~ **forfeits** in the current fiscal year beginning in the next payment to be calculated by the department a proportion of the funds due to the district under this article that is equal to the proportion below the required minimum number of hours and days of pupil instruction under subsection (3), as specified in the following:

(a) The district fails to operate its schools for at least the required minimum number of hours and days of pupil instruction under subsection (3) in a school year, including hours and days counted under subsection (4).

(b) The board of the district takes formal action not to operate its schools for at least the required minimum number of hours and days of pupil instruction under subsection (3) in a school year, including hours and days counted under subsection (4).

(7) In providing the minimum number of hours and days of pupil instruction required under subsection (3), a district shall use the following guidelines, and a district shall maintain records to substantiate its compliance with the following guidelines:

(a) Except as otherwise provided in this subsection, a pupil must be scheduled for at least the required minimum number of hours of instruction, excluding study halls, or at least the sum of 90 hours plus the required minimum number of hours of instruction, including up to 2 study halls.

(b) The time a pupil is assigned to any tutorial activity in a block schedule may be considered instructional time, unless that time is determined in an audit to be a study hall period.

(c) Except as otherwise provided in this subdivision, a pupil in grades 9 to 12 for whom a reduced schedule is determined to be in the individual pupil's best educational interest must be scheduled for a number of hours equal to at least 80% of the required minimum number of hours of pupil instruction to be considered a full-time equivalent pupil. A pupil in grades 9 to 12 who is scheduled in a 4-block schedule may receive a reduced schedule under this subsection if the pupil is scheduled for a number of hours equal to at least 75% of the required minimum number of hours of pupil instruction to be considered a full-time equivalent pupil.

(d) If a pupil in grades 9 to 12 who is enrolled in a cooperative education program or a special education pupil cannot receive the required minimum number of hours of pupil instruction solely because of travel time between instructional sites during the school day, that travel time, up to a maximum of 3 hours per school week, ~~shall be~~ **is** considered to be pupil instruction time for the purpose of determining whether the pupil is receiving the required minimum number of hours of pupil instruction. However, if a district demonstrates to the satisfaction of the department that the travel time limitation under this subdivision would create undue costs or hardship to the district, the department may consider more travel time to be pupil instruction time for this purpose.

(e) In grades 7 through 12, instructional time that is part of a Junior Reserve Officer Training Corps (JROTC) program ~~shall be~~ **is** considered to be pupil instruction time regardless of whether the instructor is a certificated teacher if all of the following are met:

(*i*) The instructor has met all of the requirements established by the United States Department of Defense and the applicable branch of the armed services for serving as an instructor in the Junior Reserve Officer Training Corps program.

(*ii*) The board of the district or intermediate district employing or assigning the instructor complies with the requirements of sections 1230 and 1230a of the revised school code, MCL 380.1230 and 380.1230a, with respect to the instructor to the same extent as if employing the instructor as a regular classroom teacher.

(8) Except as otherwise provided in subsections (11) and (12), the department shall apply the guidelines under subsection (7) in calculating the full-time equivalency of pupils.

(9) Upon application by the district for a particular fiscal year, the superintendent shall waive for a district the minimum number of hours and days of pupil instruction requirement of subsection (3) for a department-approved alternative education program or another innovative program approved by the department, including a 4-day school week. If a district applies for and receives a waiver under this subsection and complies with the terms of the waiver, the district is not subject to forfeiture under this section for the specific program covered by the waiver. If the district does not comply with the terms of the waiver, the amount of the forfeiture ~~shall be~~ **is** calculated based upon a comparison of the number of hours and days of pupil instruction actually provided to the minimum number of hours and days of pupil instruction required under subsection (3). ~~Pupils~~ **A district shall report pupils** enrolled in a department-approved alternative education program under this subsection ~~shall be reported~~ to the center in a form and manner determined by the center. All of the following apply to a waiver granted under this subsection:

(a) If the waiver is for a blended model of delivery, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(b) If the waiver is for a 100% online model of delivery and the educational program for which the waiver is granted makes educational services available to pupils for a minimum of at least 1,098 hours during a school year and ensures that each pupil is on track for course completion at proficiency level, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(c) A waiver that is not a waiver described in subdivision (a) or (b) is valid for 1 fiscal year and must be renewed annually to remain in effect.

~~(d) For 2018-2019 only, the department shall grant a waiver to a district that applies for a waiver for a blended model of delivery after the department's application deadline if the district meets the other requirements for a waiver under this subsection.~~

(10) ~~Until 2014-2015, a~~ **A** district may count up to 38 hours of qualifying professional development for teachers as hours of pupil instruction. ~~However, if a collective bargaining agreement that provides for the counting of up to 38 hours of qualifying professional development for teachers as pupil instruction is in effect for employees of a district as of July 1, 2013, then until the school year that begins after the expiration of that collective bargaining agreement a district may count up to the contractually specified number of hours of qualifying professional development for teachers as hours of pupil instruction. Professional development provided online is allowable and encouraged, as long as the instruction has been approved by the district. The department shall issue a list of approved online professional development providers, which shall include~~

~~the Michigan Virtual School. As used in this subsection, "qualifying professional development" means professional development that is focused on 1 or more of the following:~~

~~(a) Achieving or improving adequate yearly progress as defined under the no child left behind act of 2001, Public Law 107-110.~~

~~(b) Achieving accreditation or improving a school's accreditation status under section 1280 of the revised school code, MCL 380.1280.~~

~~(c) Achieving highly qualified teacher status as defined under the no child left behind act of 2001, Public Law 107-110.~~

~~(d) Integrating technology into classroom instruction.~~

~~(e) Maintaining teacher certification.~~**All of the following apply to the counting of qualifying professional development as pupil instruction under this subsection:**

(a) If qualifying professional development exceeds 5 hours in a single day, that day may be counted as a day of pupil instruction.

(b) At least 8 hours of the qualifying professional development counted as hours of pupil instruction under this subsection must be recommended by a districtwide professional development advisory committee appointed by the district board. The advisory committee must be composed of teachers employed by the district who represent a variety of grades and subject matter specializations, including special education; nonteaching staff; parents; and administrators. The majority membership of the committee shall be composed of teaching staff.

(c) Professional development provided online is allowable and encouraged, as long as the instruction has been approved by the district. The department shall issue a list of approved online professional development providers, which must include the Michigan Virtual School.

(d) Qualifying professional development may only be counted as hours of pupil instruction for the pupils of those teachers scheduled to participate in the qualifying professional development.

(e) For professional development to be considered qualifying professional development under this subsection, the professional development must meet all of the following:

(*i*) Is aligned to the school or district improvement plan for the school or district in which the professional development is being provided.

(*ii*) Is linked to 1 or more criteria in the evaluation tool developed or adopted by the district or intermediate district under section 1249 of the revised school code, MCL 380.1249.

(*iii*) Has been approved by the department as counting for state continuing education clock hours. The number of hours of professional development counted as hours of pupil instruction may not exceed the number of state continuing education clock hours for which the qualifying professional development was approved.

(*iv*) Not more than a combined total of 10 hours of the professional development takes place before the first scheduled day of school for the school year ending in the fiscal year and after the last scheduled day of school for that school year.

(*v*) No more than 10 hours of qualifying professional development takes place in a single month.

(*vi*) At least 75% of teachers scheduled to participate in the professional development are in attendance.

(11) Subsections (3) and (8) do not apply to a school of excellence that is a cyber school, as defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a.

(12) Subsections (3) and (8) do not apply to eligible pupils enrolled in a dropout recovery program that meets the requirements of section 23a. As used in this subsection, "eligible pupil" means that term as defined in section 23a.

(13) ~~Beginning in 2013, at~~ **At** least every 2 years the superintendent shall review the waiver standards set forth in the pupil accounting and auditing manuals to ensure that the waiver standards and waiver process continue to be appropriate and responsive to changing trends in online learning. The superintendent shall solicit and consider input from stakeholders as part of this review.

Sec. 102d. (1) From the funds appropriated in section 11, there is allocated an amount not to exceed $1,500,000.00 for ~~2018-2019~~ **2019-2020** for reimbursements to districts, intermediate districts, and **the** authorizing bodies of public school academies for the licensing of school data analytical tools as described under this section. The reimbursement is for **eligible** districts, intermediate districts, and authorizing bodies of public school academies that choose to use a school data analytical tool to assist the district, intermediate district, or authorizing body of a public school academy and that enter into a licensing agreement for a school data analytical tool with 1 of the vendors approved by the department of technology, management, and budget under subsection ~~(2).~~ **(3).** Funds allocated under this section are intended to provide **eligible** districts, intermediate districts, and **the** authorizing bodies of public school academies with financial forecasting and transparency reporting tools to help improve the financial health of districts and to improve communication with the public**.** ~~, resulting in increased fund balances for districts and intermediate districts.~~

(2) A district, intermediate district, or the authorizing body of a public school academy is eligible for funding under this section if either of the following applies:

(a) The department of treasury, in consultation with the department, approves a request by the district, intermediate district, or the authorizing body of the public school academy to seek reimbursement for a school data analytical tool described in this section and at least 1 of the following applies:

(*i*) The district, intermediate district, or public school academy is required to submit a deficit elimination plan under section 1220 of the revised school code, MCL 380.1220.

(*ii*) The district, intermediate district, or public school academy is required to submit an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220.

(*iii*) The district, intermediate district, or public school academy is required to submit periodic financial status reports to the department of treasury.

(*iv*) The department of treasury has declared that the district, intermediate district, or public school academy may potentially be subject to fiscal stress.

(*v*) The district, intermediate district, or public school academy is subject to oversight under the local financial stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575.

(*vi*) The district, intermediate district, or public school academy has a signed partnership agreement with the department and is not receiving reimbursement for a school data analytical tool under section 21h.

(b) There are remaining available funds under this section after reimbursements are made to all eligible districts, intermediate districts, and authorizing bodies described under subdivision (a).

(3) ~~(2)~~ A vendor approved under this section for ~~2017-2018~~ **2018-2019** is approved for use by a district, intermediate district, or **the** authorizing body of a public school academy and for reimbursement for ~~2018-2019.~~**2019-2020.**

(4) ~~(3) Funds~~ **The department shall first pay funds** allocated under this section ~~shall be paid~~ to districts, intermediate districts, and **the** authorizing bodies of public school academies **to which subsection (2)(a) applies** as ~~a~~ **full** reimbursement for ~~already having~~ a licensing agreement ~~or for entering into a licensing agreement not later than December 1, 2018~~ with a vendor approved under subsection ~~(2)~~ **(3)** to implement a school data analytical tool. Reimbursement will be prorated for the portion of the ~~state~~ fiscal year not covered by the licensing agreement. ~~However, a licensing agreement that takes effect after October 1, 2018 and before December 1, 2018 will not be prorated if the term of the agreement is at least 1 year. Reimbursement under this section shall be made as follows:~~

~~(a) All districts, intermediate districts, and authorizing bodies of public school academies seeking reimbursement shall submit requests not later than December 1, 2018 indicating the cost paid for the school data analytical tool.~~

(5) ~~(b) The department shall determine the sum of the funding requests under subdivision (a) and, if there are sufficient funds, shall pay~~ **If all eligible districts, intermediate districts, and authorizing bodies to which subsection (2)(a) applies have been reimbursed and there are remaining available funds under this section, the department shall pay** 1/2 of the costs submitted ~~under subdivision (a).~~ **by an eligible district, intermediate district, or authorizing body to which subsection (2)(a) does not apply but that is otherwise an eligible district, intermediate district, or authorizing body under this section.** If there are insufficient funds to pay 1/2 of the costs submitted under ~~(a),~~ **this subsection,** then **the department shall make** reimbursement ~~shall be made~~ on an equal percentage basis.

~~(c) Funds remaining after the calculation and payment under subdivision (b) shall be distributed on an equal per pupil basis, with an intermediate district's pupils considered to be the sum of the pupil memberships of the constituent districts for which the intermediate district is purchasing the school data analytical tool, and with an authorizing body's pupils considered to be the sum of the pupil memberships of the public school academies authorized by the authorizing body for which the authorizing body is purchasing the school data analytical tool.~~

(6) ~~(d)~~ The reimbursement to a district, intermediate district, or authorizing body of a public school academy ~~shall~~ **must** not be greater than the amount paid for a data analytics application.

(7) ~~(e) A~~ **Subject to subsection (8), the department shall not reimburse a** district, intermediate district, or authorizing body of a public school academy ~~shall not be reimbursed~~ for the purchase of more than 1 software application.

(8) ~~(4)~~ If an intermediate district purchases both a school data analytical tool specifically for intermediate district finances and a school data analytical tool for those constituent districts that opt in, the intermediate district ~~shall~~ **may** be reimbursed for both purchases under this section.

(9) ~~(5)~~ If an intermediate district makes available to 1 or more of its constituent districts a school data analytical tool funded under this section, **the department shall not reimburse** that constituent district ~~shall not be reimbursed~~ under this section for the purchase of that school data analytical tool if the constituent

district has opted in for that tool. **If an intermediate district makes available to 1 or more of its constituent districts a school data analytical tool funded under this section, and that constituent district does not opt in for that tool, the department shall not reimburse that constituent district for the purchase of any other analytical tool funded under this section.**

(10) ~~(6)~~ If an authorizing body of a public school academy makes available to 1 or more public school academies a school data analytical tool funded under this section, **the department shall not reimburse** the public school academy ~~shall not be reimbursed~~ under this section for the purchase of a school data analytical tool if the public school academy opted in for that tool. **If an authorizing body makes available to 1 or more of its public school academies a school data analytical tool funded under this section, and that public school academy does not opt in for that tool, the department shall not reimburse that public school academy for the purchase of any other analytical tool funded under this section.**

(11) ~~(7)~~ Notwithstanding section 17b, **the department shall make** payments under this section ~~shall be made~~ on a schedule determined by the department.

Sec. 104. (1) In order to receive state aid under this article, a district shall comply with sections 1249, 1278a, 1278b, 1279, 1279g, and 1280b of the revised school code, MCL 380.1249, 380.1278a, 380.1278b, 380.1279, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in section 11, there is allocated for ~~2017-2018 an amount not to exceed $29,709,400.00 and there is allocated for 2018-2019~~ **2019-2020** an amount not to exceed ~~$32,509,400.00~~ **$32,009,400.00** for payments on behalf of districts for costs associated with complying with those provisions of law. In addition, from the federal funds appropriated in section 11, there is allocated ~~each fiscal year for 2017-2018 and for 2018-2019~~ **for 2019-2020** an amount estimated at $6,250,000.00, funded from DED-OESE, title VI, state assessment funds, and from DED-OSERS, section 504 of part B of the individuals with disabilities education act, Public Law 94-142, plus any carryover federal funds from previous year appropriations, for the purposes of complying with the ~~federal no child left behind act of 2001, Public Law 107-110, or the~~ every student succeeds act, Public Law 114-95.

(2) The results of each test administered as part of the Michigan student test of educational progress (M-STEP), including tests administered to high school students, ~~shall~~ **must** include an item analysis that lists all items that are counted for individual pupil scores and the percentage of pupils choosing each possible response. The department shall work with the center to identify the number of students enrolled at the time assessments are given by each district. In calculating the percentage of pupils assessed for a district's scorecard, the department shall use only the number of pupils enrolled in the district at the time the district administers the assessments and shall exclude pupils who enroll in the district after the district administers the assessments.

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

(4) ~~From the funds allocated in subsection (1), there is allocated an amount not to exceed $1,000,000.00 for 2017-2018 and an amount not to exceed $1,500,000.00 for 2018-2019 to an intermediate district described in this subsection to implement a Michigan kindergarten entry observation tool in 2017-2018 and 2018-2019. The funding under this subsection is allocated to an intermediate district in prosperity region 9 with at least 3,000 kindergarten pupils enrolled in its constituent districts to continue participation in the Maryland-Ohio pilot and cover the costs of implementing the observation tool, including a contract with a university for implementation of the observation tool also referred to as the kindergarten readiness assessment. The intermediate district shall continue implementation of the Michigan kindergarten entry observation (MKEO) and the kindergarten readiness assessment shall be conducted in all kindergarten classrooms in districts located in prosperity regions 4, 5, and 9 beginning in August 2018 and, beginning August 1, 2019, in districts located in prosperity regions 2, 3, 4, 5, 6, 7, 8, and 9. A constituent district of an intermediate district located within these prosperity regions shall administer the Maryland-Ohio tool within each kindergarten classroom to either the full census of kindergarten pupils or a representative sample of not less than 35% of the enrolled kindergarten pupils in each classroom. The intermediate district receiving the funding allocated under this subsection shall work with other intermediate districts to implement the Michigan kindergarten entry observation, engage with the office of great start and the department, and provide a report to the legislature on the demonstrated readiness of kindergarten pupils within the participating intermediate districts. That intermediate district may share this funding with the other affected intermediate districts and districts. Allowable costs under this subsection include those incurred in July, August, and September 2017 as well as those incurred in 2017-2018. As used in this subsection, "kindergarten" may include a classroom for young 5-year-olds, commonly referred to as "young 5s" or "developmental kindergarten". The department shall approve the language and literacy domain within the Maryland-Ohio tool, also referred to as the "Kindergarten Readiness Assessment", for use by districts as an~~

~~initial assessment that may be delivered to all kindergarten students to assist with identifying any possible area of concern for a student in English language arts.~~**From the funds allocated in subsection (1), there is allocated an amount not to exceed $2,500,000.00 to an intermediate district described in this subsection for statewide implementation of the Michigan kindergarten entry observation tool (MKEO) beginning in the fall of 2019, utilizing the Maryland-Ohio observational tool, also referred to as the Kindergarten Readiness Assessment, as piloted under this subsection in 2017-2018 and implemented in 2018-2019 and 2019-2020. The funding in this subsection is allocated to an intermediate district in prosperity region 9 with at least 3,000 kindergarten pupils enrolled in its constituent districts. All of the following apply to the implementation of the kindergarten entry observation tool under this subsection:**

(a) The department, in collaboration with all intermediate districts, shall ensure that the Michigan kindergarten entry observation tool is administered in each kindergarten classroom to either the full census of kindergarten pupils enrolled in the classroom or to a representative sample of not less than 35% of the total kindergarten pupils enrolled in each classroom. If a district elects to administer the Michigan kindergarten entry observation tool to a random sample of pupils within each classroom, the district's intermediate district shall select the pupils who will receive the assessment based on the same random method. Beginning in 2020, the observation tool must be administered within 45 days after the start of the school year.

(b) The intermediate district that receives funding under this subsection, in collaboration with all other intermediate districts, shall implement a "train the trainer" professional development model on the usage of the Michigan kindergarten entry observation tool. This training model must provide training to intermediate district staff so that they may provide similar training for staff of their constituent districts. This training model must also ensure that the tool produces reliable data and that there are a sufficient number of trainers to train all kindergarten teachers statewide.

(c) By March 1, 2021, and each year thereafter, the department and the intermediate district that receives funding under this subsection shall report to the house and senate appropriations subcommittees on school aid, the house and senate fiscal agencies, and the state budget director on the results of the statewide implementation, including, but not limited to, an evaluation of the demonstrated readiness of kindergarten pupils statewide and the effectiveness of state and federal early childhood programs that are designed for school readiness under this state's authority, including the great start readiness program and the great start readiness/Head Start blended program, as referenced under section 32d. By September 1, 2021, and each year thereafter, the department and the center shall provide a method for districts and public school academies with kindergarten enrollment to look up and verify their student enrollment data for pupils who were enrolled in a publicly funded early childhood program in the year before kindergarten, including the individual great start readiness program, individual great start readiness/Head Start blended program, individual title I preschool program, individual section 31a preschool program, individual early childhood special education program, or individual developmental kindergarten or program for young 5-year-olds in which each tested child was enrolled. A participating district shall analyze the data to determine whether high-performing children were enrolled in any specific early childhood program and, if so, report that finding to the department and to the intermediate district that receives funding under this subsection.

(d) The department shall approve the language and literacy domain within the Kindergarten Readiness Assessment for use by districts as an initial assessment that may be delivered to all kindergarten pupils to assist with identifying any possible area of concern for a pupil in English language arts.

(e) As used in this subsection:

(*i*) "Kindergarten" includes a classroom for young 5-year-olds, commonly referred to as "young 5s" or "developmental kindergarten".

(*ii*) "Representative sample" means a sample capable of producing valid and reliable assessment information on all or major subgroups of kindergarten pupils in a district.

~~(5) The department shall continue to make the kindergarten entry assessment developed by the department and field tested in 2015-2016 available to districts in 2017-2018.~~

(5) ~~(6)~~ The department may recommend, but may not require, districts to allow pupils to use an external keyboard with tablet devices for online M-STEP testing, including, but not limited to, open-ended test items such as constructed response or equation builder items.

(6) ~~(7)~~ Notwithstanding section 17b, **the department shall make** payments on behalf of districts, intermediate districts, and other eligible entities under this section ~~shall be paid~~ on a schedule determined by the department.

(7) ~~(8)~~ From the allocation in subsection (1), there is allocated ~~an amount not to exceed $3,200,000.00 for 2017-2018 and~~ an amount not to exceed $500,000.00 for ~~2018-2019~~ **2019-2020** for the ~~development or selection~~ **operation** of an online reporting tool to provide student-level assessment data in a secure environment

to educators, parents, and pupils immediately after assessments are scored. The department and the center shall ensure that any data collected by the online reporting tool do not provide individually identifiable student data to the federal government.

(8) ~~(9)~~ As used in this section:

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

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

(c) "DED-OSERS" means the DED Office of Special Education and Rehabilitative Services.

Sec. 104c. (1) In order to receive state aid under this article, a district shall administer the state assessments described in this section.

(2) For the purposes of this section, the department shall develop and administer the Michigan student test of educational progress (M-STEP) assessments in English language arts and mathematics. These assessments shall be aligned to state standards.

(3) For the purposes of this section, the department shall implement a summative assessment system that is proven to be valid and reliable for administration to pupils as provided under this subsection. The summative assessment system ~~shall~~ **must** meet all of the following requirements:

(a) The summative assessment system ~~shall~~ **must** measure student proficiency on the current state standards, ~~shall~~ **must** measure student growth for consecutive grade levels in which students are assessed in the same subject area in both grade levels, and ~~shall~~ **must** be capable of measuring individual student performance.

(b) The summative assessments for English language arts and mathematics ~~shall~~ **must** be administered to all public school pupils in grades 3 to 11, including those pupils as required by the federal individuals with disabilities education act, Public Law 108-446, and by title I of the federal every student succeeds act (ESSA), Public Law 114-95.

(c) The summative assessments for science ~~shall~~ **must** be administered to all public school pupils in at least grades 5 and 8, including those pupils as required by the federal individuals with disabilities education act, Public Law 108-446, and by title I of the federal every student succeeds act (ESSA), Public Law 114-95.

(d) The summative assessments for social studies ~~shall~~ **must** be administered to all public school pupils in at least grades 5 and 8, including those pupils as required by the federal individuals with disabilities education act, Public Law 108-446, and by title I of the federal every student succeeds act (ESSA), Public Law 114-95.

(e) The content of the summative assessments ~~shall~~ **must** be aligned to state standards.

(f) The pool of questions for the summative assessments ~~shall~~ **must** be subject to a transparent review process for quality, bias, and sensitive issues involving educator review and comment. The department shall post samples from tests or retired tests featuring questions from this pool for review by the public.

(g) The summative assessment system ~~shall~~ **must** ensure that students, parents, and teachers are provided with reports that convey individual student proficiency and growth on the assessment and that convey individual student domain-level performance in each subject area, including representative questions, and individual student performance in meeting state standards.

(h) The summative assessment system ~~shall~~ **must** be capable of providing, and the department shall ensure that students, parents, teachers, administrators, and community members are provided with, reports that convey aggregate student proficiency and growth data by teacher, grade, school, and district.

(i) The summative assessment system ~~shall~~ **must** ensure the capability of reporting the available data to support educator evaluations.

(j) The summative assessment system ~~shall~~ **must** ensure that the reports provided to districts containing individual student data are available within 60 days after completion of the assessments.

(k) The summative assessment system ~~shall~~ **must** ensure that access to individually identifiable student data meets all of the following:

(*i*) Is in compliance with 20 USC 1232g, commonly referred to as the family educational rights and privacy act of 1974.

(*ii*) Except as may be provided for in an agreement with a vendor to provide assessment services, as necessary to support educator evaluations pursuant to subdivision (i), or for research or program evaluation purposes, is available only to the student; to the student's parent or legal guardian; and to a school administrator or teacher, to the extent that he or she has a legitimate educational interest.

(*l*) The summative assessment system ~~shall~~ **must** ensure that the assessments are pilot tested before statewide implementation.

(m) The summative assessment system ~~shall~~ **must** ensure that assessments are designed so that the maximum total combined length of time that schools are required to set aside for a pupil to answer all test questions on all assessments that are part of the system for the pupil's grade level does not exceed that maximum total combined length of time for the previous statewide assessment system or 9 hours, whichever is less. This subdivision does not limit the amount of time a district may allow a pupil to complete a test.

(n) The total cost of executing the summative assessment system statewide each year, including, but not limited to, the cost of contracts for administration, scoring, and reporting, ~~shall~~ **must** not exceed an amount equal to 2 times the cost of executing the previous statewide assessment after adjustment for inflation.

(o) Beginning with the 2017-2018 school year, the summative assessment system ~~shall~~ **must** not require more than 3 hours in duration, on average, for an individual pupil to complete the combined administration of the math and English language arts portions of the assessment for any 1 grade level.

(p) The summative assessments for English language arts and mathematics for pupils in grades 8 to 10 must be aligned to the college entrance test portion of the Michigan merit examination required under section 104b.

(4) The department shall offer benchmark assessments in the fall and spring of each school year to measure English language arts and mathematics in each of grades K to 2. Full implementation ~~shall~~ **must** occur not later than the ~~2018-2019~~ **2019-2020** school year. These assessments are necessary to determine a pupil's proficiency level before grade 3 **and must meet the requirements under section 104d(4)**.

(5) This section does not prohibit districts from adopting interim assessments.

(6) As used in this section, "English language arts" means that term as defined in section 104b.

Sec. 104d. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed $9,200,000.00 for providing reimbursement to districts ~~that purchase a computer-adaptive test, or~~ that purchase 1 or more diagnostic tools or **universal** screening tools for pupils in grades K to 3 that are intended to increase reading proficiency by grade 4, or that purchase benchmark assessments for pupils in grades K to 8. **The department shall evaluate and approve assessments under this section that meet the requirements under subsections (2) to (4).**

(2) In order **for a district** to receive reimbursement under this section for the purchase of ~~a computer-adaptive test, the computer-adaptive test must provide for at least all of the following:~~**an assessment intended for universal screening of pupils in grades K to 3, subject to subsection (9), the assessment must meet all of the following:**

(a) ~~Internet-delivered, standards-based assessment using a computer-adaptive model to target the instructional level of each pupil.~~**Meet the requirement for universal screening as described under section 1280f of the revised school code, MCL 380.1280f.**

(b) ~~Unlimited testing opportunities throughout the 2018-2019 school year.~~**Be reliable and valid.**

(c) ~~Valid and reliable diagnostic assessment data.~~**Be useful. As used in this subdivision, "useful" means that an assessment is easy to administer, requires a short amount of time to complete, and yields results that inform instruction and intervention.**

(d) ~~Adjustment of testing difficulty based on previous answers to test questions.~~**Can be used for the universal screening of characteristics of reading deficiencies as described under section 1280f of the revised school code, MCL 380.1280f.**

(e) ~~Immediate~~ **Provide immediate** feedback to pupils and teachers.

(3) In order **for a district** to receive reimbursement under this section for the purchase of ~~1 or more diagnostic tools or screening tools for pupils in grades K to 3, each of the tools must meet all of the following:~~**an assessment intended to be used as a diagnostic tool as described under section 1280f of the revised school code, MCL 380.1280f, for pupils in grades K to 3, the assessment must meet all of the following:**

(a) Be reliable.

(b) Be valid.

(c) Be useful. As used in this subdivision, "useful" means that a tool is easy to administer**.** ~~and requires a short time to complete and that results are linked to intervention.~~

(d) Provide data to identify reading deficiencies that, if reading deficiencies are identified, can be utilized to inform instruction and intervention.

(4) In order **for a district** to receive ~~funding~~ **reimbursement** under this section for the purchase of benchmark assessments for pupils in grades K to 8, the benchmark assessments must meet all of the following:

(a) Be aligned to the state standards of this state.

(b) Complement this state's summative assessment system.

(c) ~~Be administered at least once a year before the administration of any summative assessment to monitor pupil progress.~~**Be internet-delivered and include a standards-based assessment using a computer-adaptive model to target the instructional level of each pupil.**

(d) Provide information on pupil achievement with regard to learning the content required in a given year or grade span.

(e) Provide immediate feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide a measure of growth and provide for multiple testing opportunities.

(5) ~~Reimbursement~~ **The department shall make reimbursement** under this section ~~shall be made~~ to eligible districts that purchase ~~a computer-adaptive test or~~ 1 or more diagnostic tools, **universal** screening tools, or benchmark assessments described in this section by October 15, ~~2018 and shall be made~~ **2019. The department shall make reimbursement** on an equal per-pupil basis according to the available funding, based on the number of pupils for whom assessments were purchased.

(6) In order to receive reimbursement under this section, a district shall demonstrate to the satisfaction of the department that each qualifying ~~computer-adaptive test,~~ diagnostic tool, **universal** screening tool, or benchmark assessment was purchased by the district by December 1, ~~2018~~ **2019** and ~~shall~~ **must** report to the department which tests, tools, and assessments the district purchased.

(7) Not later than February 1, ~~2019,~~ **2020,** the department shall compile the data provided by districts under subsection (6) and report to the house and senate appropriations subcommittees on school aid and the house and senate fiscal agencies the number of districts that purchased each test, tool, and assessment.

(8) ~~Districts~~ **A district** seeking reimbursement under this section for a benchmark assessment shall commit to using the same benchmark assessment for no less than ~~3 years~~ **1 year** without switching to another benchmark assessment.

(9) An assessment under subsection (2) may be a benchmark assessment if the benchmark assessment meets all of the criteria under subsection (2)(a) to (e).

Sec. 107. (1) From the appropriation in section 11, there is allocated an amount not to exceed $30,000,000.00 for ~~2018-2019~~ **2019-2020** for adult education programs authorized under this section. Except as otherwise provided under subsections (14) and (15), funds allocated under this section are restricted for adult education programs as authorized under this section only. A recipient of funds under this section shall not use those funds for any other purpose.

(2) To be eligible for funding under this section, an eligible adult education provider shall employ certificated teachers and qualified administrative staff and shall offer continuing education opportunities for teachers to allow them to maintain certification.

(3) To be eligible to be a participant funded under this section, an individual ~~shall~~ **must** be enrolled in an adult basic education program, an adult secondary education program, an adult English as a second language program, a high school equivalency test preparation program, or a high school completion program, that meets the requirements of this section, and for which instruction is provided, and the individual ~~shall~~ **must** be at least 18 years of age and the individual's graduating class ~~shall~~ **must** have graduated.

(4) By April 1 of each fiscal year, the intermediate districts within a prosperity region or subregion shall determine which intermediate district will serve as the prosperity region's or subregion's fiscal agent for the next fiscal year and shall notify the department in a form and manner determined by the department. The department shall approve or disapprove of the prosperity region's or subregion's selected fiscal agent. From the funds allocated under subsection (1), an amount as determined under this subsection ~~shall be~~ **is** allocated to each intermediate district serving as a fiscal agent for adult education programs in each of the prosperity regions or subregions identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administration costs for serving as the fiscal agent. ~~Beginning in 2014-2015, 67% of the allocation provided to each intermediate district serving as a fiscal agent shall be based on the proportion of total funding formerly received by the adult education providers in that prosperity region or subregion in 2013-2014, and 33% shall be allocated based on the factors in subdivisions (a), (b), and (c). For 2018-2019, 33% of the allocation provided to each intermediate district serving as a fiscal agent shall be based upon the proportion of total funding formerly received by the adult education providers in that prosperity region in 2013-2014 and 67% of the allocation shall be based upon the factors in subdivisions (a), (b), and (c). However, if the allocation to an intermediate district as calculated under the preceding sentence is less than the amount received by the intermediate district under this subsection for 2017-2018, the intermediate district shall instead receive in 2018-2019 an amount equal to what the intermediate district received in 2017-2018.~~ Beginning in 2019-2020, the allocation provided to each intermediate district serving as a fiscal agent ~~shall be~~ **is an amount** equal to what the intermediate district received in 2018-2019. The funding factors for this section are as follows:

(a) Sixty percent of this portion of the funding ~~shall be~~ **is** distributed based upon the proportion of the state population of individuals between the ages of 18 and 24 that are not high school graduates that resides in each of the prosperity regions or subregions, as reported by the most recent 5-year estimates from the American Community Survey (ACS) from the United States Census Bureau.

(b) Thirty-five percent of this portion of the funding ~~shall be~~ **is** distributed based upon the proportion of the state population of individuals age 25 or older who are not high school graduates that resides in each of the prosperity regions or subregions, as reported by the most recent 5-year estimates from the American Community Survey (ACS) from the United States Census Bureau.

(c) Five percent of this portion of the funding ~~shall be~~ **is** distributed based upon the proportion of the state population of individuals age 18 or older who lack basic English language proficiency that resides in each of the prosperity regions or subregions, as reported by the most recent 5-year estimates from the American Community Survey (ACS) from the United States Census Bureau.

(5) To be an eligible fiscal agent, an intermediate district must agree to do the following in a form and manner determined by the department:

(a) Distribute funds to adult education programs in a prosperity region or subregion as described in this section.

(b) Collaborate with the career and educational advisory council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to develop a regional strategy that aligns adult education programs and services into an efficient and effective delivery system for adult education learners, with special consideration for providing contextualized learning and career pathways and addressing barriers to education and employment.

(c) Collaborate with the career and educational advisory council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to create a local process and criteria that will identify eligible adult education providers to receive funds allocated under this section based on location, demand for services, past performance, quality indicators as identified by the department, and cost to provide instructional services. The fiscal agent shall determine all local processes, criteria, and provider determinations. However, the local processes, criteria, and provider services must be approved by the department before funds may be distributed to the fiscal agent.

(d) Provide oversight to its adult education providers throughout the program year to ensure compliance with the requirements of this section.

(e) Report adult education program and participant data and information as prescribed by the department.

(6) An adult basic education program, an adult secondary education program, or an adult English as a second language program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who are determined by a department-approved assessment, in a form and manner prescribed by the department, to be below twelfth grade level in reading or mathematics, or both, or to lack basic English proficiency.

(b) The program tests individuals for eligibility under subdivision (a) before enrollment and upon completion of the program in compliance with the state-approved assessment policy.

(c) A participant in an adult basic education program is eligible for reimbursement until 1 of the following occurs:

(*i*) The participant's reading and mathematics proficiency are assessed at or above the ninth grade level.

(*ii*) The participant fails to show progress on 2 successive assessments after having completed at least 450 hours of instruction.

(d) A participant in an adult secondary education program is eligible for reimbursement until 1 of the following occurs:

(*i*) The participant's reading and mathematics proficiency are assessed above the twelfth grade level.

(*ii*) The participant fails to show progress on 2 successive assessments after having at least 450 hours of instruction.

(e) A funding recipient enrolling a participant in an English as a second language program is eligible for funding according to subsection (9) until the participant meets 1 of the following:

(*i*) The participant is assessed as having attained basic English proficiency as determined by a department-approved assessment.

(*ii*) The participant fails to show progress on 2 successive department-approved assessments after having completed at least 450 hours of instruction. The department shall provide information to a funding recipient regarding appropriate assessment instruments for this program.

(7) A high school equivalency test preparation program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma or a high school equivalency certificate.

(b) The program ~~shall administer~~ **administers** a pre-test approved by the department before enrolling an individual to determine the individual's literacy levels, ~~shall administer~~ **administers** a high school equivalency practice test to determine the individual's potential for success on the high school equivalency test, and ~~shall administer~~ **administers** a post-test upon completion of the program in compliance with the state-approved assessment policy.

(c) A funding recipient ~~shall receive~~ **receives** funding according to subsection (9) for a participant, and a participant may be enrolled in the program until 1 of the following occurs:

(*i*) The participant achieves a high school equivalency certificate.

(*ii*) The participant fails to show progress on 2 successive department-approved assessments used to determine readiness to take a high school equivalency test after having completed at least 450 hours of instruction.

(8) A high school completion program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma.

(b) The program tests participants described in subdivision (a) before enrollment and upon completion of the program in compliance with the state-approved assessment policy.

(c) A funding recipient ~~shall receive~~ **receives** funding according to subsection (9) for a participant in a course offered under this subsection until 1 of the following occurs:

(*i*) The participant passes the course and earns a high school diploma.

(*ii*) The participant fails to earn credit in 2 successive semesters or terms in which the participant is enrolled after having completed at least 900 hours of instruction.

(9) ~~A~~ **The department shall make payments to a** funding recipient ~~shall receive payments~~ under this section in accordance with all of the following:

(a) Statewide allocation criteria, including 3-year average enrollments, census data, and local needs.

(b) Participant completion of the adult basic education objectives by achieving an educational gain as determined by the national reporting system levels; for achieving basic English proficiency, as determined by the department; for achieving a high school equivalency certificate or passage of 1 or more individual high school equivalency tests; for attainment of a high school diploma or passage of a course required for a participant to attain a high school diploma; for enrollment in a postsecondary institution, or for entry into or retention of employment, as applicable.

(c) Participant completion of core indicators as identified in the innovation and opportunity act.

(d) Allowable expenditures.

(10) A person who is not eligible to be a participant funded under this section may receive adult education services upon the payment of tuition. In addition, a person who is not eligible to be served in a program under this section due to the program limitations specified in subsection (6), (7), or (8) may continue to receive adult education services in that program upon the payment of tuition. The ~~tuition level shall be determined by the~~ local or intermediate district conducting the program **shall determine the tuition amount**.

(11) An individual who is an inmate in a state correctional facility ~~shall not be~~ **is not** counted as a participant under this section.

(12) A funding recipient shall not commingle money received under this section or from another source for adult education purposes with any other funds and shall establish a separate ledger account for funds received under this section. This subsection does not prohibit a district from using general funds of the district to support an adult education or community education program.

(13) A funding recipient receiving funds under this section may establish a sliding scale of tuition rates based upon a participant's family income. A funding recipient may charge a participant tuition to receive adult education services under this section from that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per participant ~~shall~~ **must** not exceed the actual operating cost per participant minus any funds received under this section per participant. A funding recipient may not charge a participant tuition under this section if the participant's income is at or below 200% of the federal poverty guidelines published by the United States Department of Health and Human Services.

(14) In order to receive funds under this section, a funding recipient shall furnish to the department, in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department. In addition, a funding recipient shall agree to pay to a career and technical education program under section 61a the amount of funding received under this section in the proportion of career and technical education coursework used to satisfy adult basic education programming, as billed to the funding recipient by programs operating under section 61a. In addition to the funding allocated under subsection (1), there is allocated **for 2019-2020** an amount not to exceed $500,000.00 to reimburse funding recipients for administrative and instructional expenses associated with commingling programming under this section and section 61a. ~~Payments made~~ **The department shall make payments under this subsection** to each funding recipient ~~shall be~~ in the same proportion as funding calculated and allocated under subsection (4).

(15) From the amount appropriated in subsection (1), an amount not to exceed $4,000,000.00 ~~shall be~~ **is** allocated for ~~2018-2019~~ **2019-2020** for grants to adult education or career technical center programs that connect adult education participants with employers as provided under this subsection. The **department shall determine the amount of the** grant to each program ~~shall be up to~~ **under this subsection, not to**

exceed $350,000.00. To be eligible for funding under this subsection, a program must provide a collaboration linking adult education programs within the county, the area career technical center, and local employers. To receive funding under this subsection, an eligible program ~~shall~~ **must** satisfy all of the following:

(a) ~~Shall connect~~ **Connect** adult education participants directly with employers by linking adult education, career and technical skills, and workforce development.

(b) ~~Shall require~~ **Require** adult education staff to work with Michigan Works! agency to identify a cohort of participants who are most prepared to successfully enter the workforce. Participants identified under this subsection ~~shall~~ **must** be dually enrolled in adult education programming and **in** at least 1 technical course at the area career and technical center.

(c) ~~Shall have~~ **Employ** an individual staffed as an adult education navigator who will serve as a caseworker for each participant identified under subdivision (b). The navigator shall work with adult education staff and potential employers to design an educational program best suited to the personal and employment needs of the participant and shall work with human service agencies or other entities to address any barrier in the way of participant access.

(16) A program that was a pilot program in 2017-2018 and that was funded under this section in 2017-2018 ~~shall be~~ **is** funded in ~~2018-2019~~ **2019-2020** unless the program ceases operation. The intermediate district in which that pilot program was funded ~~shall be~~ **is** the fiscal agent for that program and shall apply for that program's funding under subsection (15).

(17) Each program funded under subsection (15) will receive funding for 3 years. After 3 years of operations and funding, a program must reapply for funding.

(18) Not later than December 1, ~~2019,~~ **2020,** a program funded under subsection (15) shall provide a report to the senate and house appropriations subcommittees on school aid, to the senate and house fiscal agencies, and to the state budget director identifying the number of participants, graduation rates, and a measure of transition to employment.

(19) The department shall approve at least 3 high school equivalency tests and determine whether a high school equivalency certificate meets the requisite standards for high school equivalency in this state.

(20) As used in this section:

(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

(b) "Career pathway" means a combination of rigorous and high-quality education, training, and other services that comply with all of the following:

(*i*) Aligns with the skill needs of industries in the economy of this state or in the regional economy involved.

(*ii*) Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the act of August 16, 1937 (commonly known as the "national apprenticeship act"), 29 USC 50 et seq.

(*iii*) Includes counseling to support an individual in achieving the individual's education and career goals.

(*iv*) Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

(*v*) Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable.

(*vi*) Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential.

(*vii*) Helps an individual enter or advance within a specific occupation or occupational cluster.

(c) "Department" means the department of ~~talent and economic development.~~ **labor and economic opportunity.**

(d) "Eligible adult education provider" means a district, intermediate district, a consortium of districts, a consortium of intermediate districts, or a consortium of districts and intermediate districts that is identified as part of the local process described in subsection (5)(c) and approved by the department.

Sec. 147. (1) The allocation for ~~2018-2019~~ **2019-2020** for the public school employees' retirement system pursuant to the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, ~~shall be~~ **is** made using the individual projected benefit entry age normal cost method of valuation and risk assumptions adopted by the public school employees retirement board and the department of technology, management, and budget.

(2) The annual level percentage of payroll contribution rates for the ~~2018-2019~~ **2019-2020** fiscal year, as determined by the retirement system, are estimated as follows:

(a) For public school employees who first worked for a public school reporting unit before July 1, 2010 and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~38.39%,~~ **39.91%,** with ~~26.18%~~ **27.50%** paid directly by the employer.

(b) For public school employees who first worked for a public school reporting unit on or after July 1, 2010 and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~36.60%,~~ **36.96%,** with ~~24.39%~~ **24.55%** paid directly by the employer.

(c) For public school employees who first worked for a public school reporting unit on or after July 1, 2010 and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~36.24%,~~ **36.44%,** with 24.03% paid directly by the employer.

(d) For public school employees who first worked for a public school reporting unit on or after September 4, 2012, who elect defined contribution, and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~33.17%,~~ **33.37%** with 20.96% paid directly by the employer.

(e) For public school employees who first worked for a public school reporting unit before July 1, 2010, who elect defined contribution, and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~33.53%,~~ **33.89%** with ~~21.32%~~ **21.48%** paid directly by the employer.

(f) For public school employees who first worked for a public school reporting unit before July 1, 2010, who elect defined contribution, and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~33.17%,~~ **33.37%,** with 20.96% paid directly by the employer.

(g) For public school employees who first worked for a public school reporting unit before July 1, 2010 and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~38.03%,~~ **39.39%,** with ~~25.82%~~ **26.98%** paid directly by the employer.

(h) For public school employees who first worked for a public school reporting unit after January 31, 2018 and who elect to become members of the MPSERS plan, the annual level percentage of payroll contribution rate is estimated at ~~39.37%,~~ **39.57%** with 27.16% paid directly by the employer.

(3) In addition to the employer payments described in subsection (2), the employer shall pay the applicable contributions to the Tier 2 plan, as determined by the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(4) The contribution rates in subsection (2) reflect an amortization period of ~~20~~ **19** years for ~~2018-2019.~~ **2019-2020.** The public school employees' retirement system board shall notify each district and intermediate district by February 28 of each fiscal year of the estimated contribution rate for the next fiscal year.

Sec. 147a. (1) From the appropriation in section 11, there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed $100,000,000.00 for payments to participating districts. A participating district that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the district for the fiscal year in which it is received. The amount allocated to each participating district under this subsection ~~shall be~~ **is** based on each participating district's percentage of the total statewide payroll for all participating districts for the immediately preceding fiscal year. As used in this subsection, "participating district" means a district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(2) In addition to the allocation under subsection (1), from the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~$88,091,000.00 for 2018-2019~~ **$171,986,000.00 for 2019-2020** for payments to participating districts and intermediate districts and from the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~$48,000.00 for 2018-2019~~ **$83,000.00 for 2019-2020** for payments to participating district libraries. The amount allocated to each participating entity under this subsection ~~shall be~~ **is** based on each participating entity's percentage of the total statewide payroll for that type of participating entity for the immediately preceding fiscal year. A participating entity that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the normal cost contribution rate. As used in this subsection:

(a) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(b) "Participating entity" means a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

Sec. 147c. From the appropriation in section 11, there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed ~~$1,032,000,000.00~~ **$1,030,400,000.00** from the state school aid fund for payments to districts and intermediate districts that are participating entities of the Michigan public school employees' retirement system. In addition, from the general fund money appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed ~~$700,000.00~~ **$500,000.00** for payments to district libraries that are participating entities of the Michigan public school employees' retirement system. All of the following apply to funding under this subsection:

(a) For ~~2018-2019,~~ **2019-2020,** the amounts allocated under this subsection are estimated to provide an average MPSERS rate cap per pupil amount of ~~$690.00~~ **$693.00** and are estimated to provide a rate cap per pupil for districts ranging between $4.00 and ~~$3,000.00.~~ **$4,000.00.**

(b) Payments made under this subsection ~~shall be~~ **are** equal to the difference between the unfunded actuarial accrued liability contribution rate as calculated pursuant to section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(c) The amount allocated to each participating entity under this subsection ~~shall be~~ **is** based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year for the same type of participating entities. A participating entity that receives funds under this subsection shall use the funds solely for the purpose of retirement contributions as specified in subdivision (d).

(d) Each participating entity receiving funds under this subsection shall forward an amount equal to the amount allocated under subdivision (c) to the retirement system in a form, manner, and time frame determined by the retirement system.

(e) Funds allocated under this subsection should be considered when comparing a district's growth in total state aid funding from 1 fiscal year to the next.

(f) Not later than December 20, ~~2018,~~ **2019,** the department shall publish and post on its website an estimated MPSERS rate cap per pupil for each district.

(g) ~~It is the intent of the legislature that any~~ **The office of retirement service shall first apply** funds allocated under this subsection ~~are first applied~~ to pension contributions ~~,~~ and**,** if any funds remain after that payment, **shall apply** those remaining funds ~~shall be applied~~ to other postemployment benefit contributions.

(h) As used in this subsection:

(*i*) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(*ii*) "MPSERS rate cap per pupil" means an amount equal to the quotient of the district's payment under this subsection divided by the district's pupils in membership.

(*iii*) "Participating entity" means a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(*iv*) "Retirement board" means the board that administers the retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(*v*) "Retirement system" means the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

Sec. 147e. (1) From the appropriation in section 11, there is allocated for 2018-2019 an amount not to exceed ~~$31,900,000.00~~ **$30,000,000.00** from the MPSERS retirement obligation reform reserve fund**, and there is allocated for 2019-2020 an amount not to exceed $1,900,000.00 from the MPSERS retirement obligation reform reserve fund** and ~~$5,700,000.00~~ **$40,671,000.00** from the state school aid fund for payments to participating entities.

(2) The payment to each participating entity under this section ~~shall be~~ **is** the sum of the amounts under this subsection as follows:

(a) An amount equal to the contributions made by a participating entity for the additional contribution made to a qualified participant's Tier 2 account in an amount equal to the contribution made by the qualified participant not to exceed 3% of the qualified participant's compensation as provided for under section 131(6) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1431.

(b) Beginning October 1, 2017, an amount equal to the contributions made by a participating entity for a qualified participant who is only a Tier 2 qualified participant under section 81d of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning February 1, 2018, not to exceed 1%, of the qualified participant's compensation.

(c) An amount equal to the increase in employer normal cost contributions under section 41b(2) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member that was hired after February 1, 2018 and chose to participate in Tier 1, compared to the employer normal cost contribution for a member under section 41b(1) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b.

(3) As used in this section:

(a) "Member" means that term as defined under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(b) "Participating entity" means a district, intermediate district, or community college that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(c) "Qualified participant" means that term as defined under section 124 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1424.

Sec. 152a. (1) As required by the court in the consolidated cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from the state school aid fund money appropriated in section 11, there is allocated for ~~2018-2019~~ **2019-2020** an amount not to exceed $38,000,500.00 to be used solely for the purpose of paying necessary costs related to the state-mandated collection, maintenance, and reporting of data to this state.

(2) From the allocation in subsection (1), the department shall make payments to districts and intermediate districts in an equal amount per-pupil based on the total number of pupils in membership in each district and intermediate district. The department shall not make any adjustment to these payments after the final installment payment under section 17b is made.

Sec. 152b. (1) From the general fund money appropriated under section 11, there is allocated ~~an amount not to exceed $2,500,000.00 for 2017-2018 and~~ an amount not to exceed $250,000.00 **each fiscal year** for 2018-2019 **and for 2019-2020** to reimburse actual costs incurred by nonpublic schools in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state.

(2) By January 1 of each applicable fiscal year, the department shall publish a form for reporting actual costs incurred by a nonpublic school in complying with a health, safety, or welfare requirement mandated under state law containing each health, safety, or welfare requirement mandated by a law or administrative rule of this state applicable to a nonpublic school and with a reference to each relevant provision of law or administrative rule for the requirement. The **department shall post the** form ~~shall be posted~~ on the department's website in electronic form.

(3) By June 30 of each applicable fiscal year, a nonpublic school seeking reimbursement for actual costs incurred in complying with a health, safety, or welfare requirement under a law or administrative rule of this state during each applicable school year shall submit a completed form described in subsection (2) to the department. This section does not require a nonpublic school to submit a form described in subsection (2). A nonpublic school is not eligible for reimbursement under this section if the nonpublic school does not submit the form described in subsection (2) in a timely manner.

(4) By August 15 of each applicable fiscal year, the department shall distribute funds to each nonpublic school that submits a completed form described under subsection (2) in a timely manner. The superintendent shall determine the amount of funds to be paid to each nonpublic school in an amount that does not exceed the nonpublic school's actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state. The superintendent shall calculate a nonpublic school's actual cost in accordance with this section.

(5) If the funds allocated under this section are insufficient to fully fund payments as otherwise calculated under this section, the department shall distribute funds under this section on a prorated or other equitable basis as determined by the superintendent.

(6) The department may review the records of a nonpublic school submitting a form described in subsection (2) only for the limited purpose of verifying the nonpublic school's compliance with this section. If a nonpublic school does not allow the department to review records under this subsection, the nonpublic school is not eligible for reimbursement under this section.

(7) The funds appropriated under this section are for purposes related to education, are considered to be incidental to the operation of a nonpublic school, are noninstructional in character, and are intended for the public purpose of ensuring the health, safety, and welfare of the children in nonpublic schools and to reimburse nonpublic schools for costs described in this section.

(8) Funds allocated under this section are not intended to aid or maintain any nonpublic school, support the attendance of any student at a nonpublic school, employ any person at a nonpublic school, support the attendance of any student at any location where instruction is offered to a nonpublic school student, or support the employment of any person at any location where instruction is offered to a nonpublic school student.

(9) For purposes of this section, "actual cost" means the hourly wage for the employee or employees performing a task or tasks required to comply with a health, safety, or welfare requirement under a law or administrative rule of this state identified by the department under subsection (2) and is to be calculated in accordance with the form published by the department under subsection (2), which shall include a detailed itemization of costs. The nonpublic school shall not charge more than the hourly wage of its lowest-paid employee capable of performing a specific task regardless of whether that individual is available and regardless of who actually performs a specific task. Labor costs under this subsection ~~shall~~ **must** be estimated and charged in increments of 15 minutes or more, with all partial time increments rounded down. When calculating costs under subsection (4), fee components ~~shall~~ **must** be itemized in a manner that expresses both the hourly wage and the number of hours charged. The nonpublic school may not charge any applicable labor charge amount to cover or partially cover the cost of health or fringe benefits. A nonpublic school shall not charge any overtime wages in the calculation of labor costs.

(10) For the purposes of this section, the actual cost incurred by a nonpublic school for taking daily student attendance ~~shall be~~ **is** considered an actual cost in complying with a health, safety, or welfare requirement under a law or administrative rule of this state. Training fees, inspection fees, and criminal background check fees are considered actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state.

(11) The funds allocated under this section for 2017-2018 are a work project appropriation, and any unexpended funds for 2017-2018 are carried forward into 2018-2019. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, ~~2020.~~**2021.**

(12) The funds allocated under this section for 2018-2019 are a work project appropriation, and any unexpended funds for 2018-2019 are carried forward into 2019-2020. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, ~~2020.~~**2021.**

(13) The funds allocated under this section for 2019-2020 are a work project appropriation, and any unexpended funds for 2019-2020 are carried forward into 2020-2021. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2021.

Sec. 160. If a district or intermediate district requests the superintendent to grant a waiver for the district or intermediate district from the requirements of section 1284b of the revised school code, MCL 380.1284b, that district or intermediate district shall use a portion of its funding under this article to conduct a ~~joint~~ public hearing ~~with the department~~ to be held before the waiver is granted at a location within the district or intermediate district. **The department may participate in a hearing held under this section at its discretion.**

Sec. 166. ~~(1)~~ The governing board of a district or intermediate district shall adopt and implement a disciplinary policy ~~as described in subsection (2) to provide penalties for violations of section 1507 of the revised school code, MCL 380.1507, and penalties~~ for a school official, member of a governing board, **or** employee of the district or intermediate district~~, or other person~~ who refers a pupil for an abortion or assists a pupil in obtaining an abortion **and who is not the parent or legal guardian of that pupil**. ~~A district or intermediate district that fails to adopt a policy required under this section within 3 years after the effective date of the 2016 amendments to this section shall forfeit from its total state school aid an amount equal to $100,000.00.~~

~~(2) A disciplinary policy required under subsection (1) shall provide for a financial penalty to be applied against an individual employed by the district or intermediate district who violates the policy under subsection (1) that is equivalent to not less than 3% of that individual's annual compensation.~~

~~(3) A district or intermediate district that applies a financial penalty against or collects a fine from an individual as provided under subsection (2) shall refund to the state school aid fund an amount of money equal to the amount of the penalty or fine.~~

Sec. 166a. (1) In order to avoid forfeiture of state aid under subsection (2), the board of a district or intermediate district providing reproductive health or other sex education instruction under section 1169, 1506, or 1507 of the revised school code, MCL 380.1169, 380.1506, and 380.1507, or under any other provision of law, shall ensure that all of the following are met:

(a) That the district or intermediate district does not provide any of the instruction to a pupil who is less than 18 years of age unless the district or intermediate district notifies the pupil's parent or legal guardian in advance of the instruction and the content of the instruction, gives the pupil's parent or legal guardian a prior opportunity to review the materials to be used in the instruction, allows the pupil's parent or legal guardian to observe the instruction, and notifies the pupil's parent or legal guardian in advance of his or her rights to observe the instruction and to have the pupil excused from the instruction.

(b) That, upon the written request of a pupil's parent or legal guardian or of a pupil if the pupil is at least age 18, the pupil ~~shall be~~ **is** excused, without penalty or loss of academic credit, from attending class sessions in which the instruction is provided.

(c) That the sex education instruction includes age-appropriate information clearly informing pupils at 1 or more age-appropriate grade levels that having sex or sexual contact with an individual under the age of 16 is a crime punishable by imprisonment, and that 1 of the other results of being convicted of this crime is to be listed on the sex offender registry on the internet for up to 25 years.

(d) That the district or intermediate district has adopted and implemented a disciplinary policy as required under section 166.

(2) If a parent or legal guardian of a pupil enrolled in a district or intermediate district believes that the district or intermediate district has violated this section**, section 166,** or section 1169, 1506, or 1507 of the revised school code, MCL 380.1169, 380.1506, and 380.1507, he or she may file a complaint with the superintendent or chief administrator of the district or intermediate district in which the pupil is enrolled. Upon receipt of the complaint, the superintendent or chief administrator of the district or intermediate district shall investigate the complaint and, within 30 days after the date of the complaint, provide a written report of his or her findings to the parent or legal guardian who filed the complaint and to the superintendent of public instruction. If the investigation reveals that 1 or more violations have occurred, the written report ~~shall~~ **must** contain a description of each violation and of corrective action the district or intermediate district will take to correct the situation to ensure that there is no further violation. The district or intermediate district shall take the corrective action described in the written report within 30 days after the date of the written report.

(3) If a parent who has filed a complaint with a district under subsection (2) believes that the district is still not in compliance with law based on the findings made by the superintendent or chief administrator of the district, the parent may appeal the findings to the intermediate district in which the district is located. If there is an appeal to an intermediate district under this subsection, the intermediate superintendent of the intermediate district shall investigate the complaint and, within 30 days after the date of the appeal, provide a written report of his or her findings to the parent or legal guardian who filed the appeal and to the superintendent of public instruction. If the investigation by the intermediate superintendent reveals that 1 or more violations have occurred, the intermediate superintendent in consultation with the local district shall develop a plan for corrective action for the district to take to correct the situation to ensure that there is no further violation, and shall include this plan for corrective action with the written report provided to the parent or legal guardian and the superintendent of public instruction. The district shall take the corrective action described in the plan within 30 days after the date of the written report.

(4) If a parent who has filed a complaint with an intermediate district under subsection (2) or a parent who has filed an appeal with an intermediate district under subsection (3) believes that the district or intermediate district is still not in compliance with law based on the findings made by the intermediate superintendent of the intermediate district, the parent may appeal the findings to the department. If there is an appeal to the department under this subsection, the department shall investigate the complaint and, within 90 days after the date of the appeal, provide a written report of its findings to the parent or legal guardian who filed the appeal, to the superintendent of public instruction, and to the district and intermediate district. If the department finds 1 or more violations as a result of its investigation, then all of the following apply:

(a) The department shall develop a plan for corrective action for the district or intermediate district to take to correct the situation to ensure that there is no further violation, and shall include this plan for corrective action with the written report provided to the parent or legal guardian, the superintendent of public instruction, and the district or intermediate district. The district or intermediate district shall take the corrective action described in the plan within 30 days after the date of the written report.

(b) In addition to withholding the percentage of state school aid forfeited by the district or intermediate district under subsection (5), the department may assess a fee to the district or intermediate district that committed the violation in an amount not to exceed the actual cost to the department of conducting the investigation and making the reports required under this subsection.

(5) If an investigation conducted by the department under subsection (4) reveals that a district or intermediate district has committed 1 or more violations of this section**, section 166,** or section 1169, 1506, or 1507 of the revised school code, MCL 380.1169, 380.1506, and 380.1507, the district or intermediate district ~~shall forfeit~~ **forfeits** an amount equal to 1% of its total state school aid allocation under this act.

(6) The department, with the approval of the superintendent of public instruction, shall establish a reasonable process for a complainant to appeal to the department under subsection (4). The **department shall ensure that the** process ~~shall~~ **does** not place an undue burden on the complainant, the district or intermediate district, or the department.

~~(7) The department shall track the number of complaints and appeals it receives under this section for the 2004-2005 school year and, not later than the end of that school year, shall submit a report to the standing committees and appropriations subcommittees of the legislature having jurisdiction over education legislation and state school aid that details the number and nature of those complaints and appeals and the cost to the department of handling them.~~

Sec. 166b. (1) This act does not prohibit a parent or legal guardian of a minor who is enrolled in any of grades kindergarten to 12 in a nonpublic school or who is being home-schooled from also enrolling the minor in a district, public school academy, or intermediate district in any curricular offering that is provided by the district, public school academy, or intermediate district at a public school site**, or that is an online course published in the district's course catalog under section 21f,** and **that** is ~~available~~ **offered** to pupils in the

minor's grade level or age group, subject to compliance with the same requirements that apply to a full-time pupil's participation in the offering. However, state school aid ~~shall be~~ **is** provided under this act for a minor enrolled as described in this subsection only for a curricular offering that is restricted to nonessential elective courses and **that** is ~~available~~ **offered** to full-time pupils in the minor's grade level or age group. For the purposes of this subsection, a curricular offering includes optional experiences associated with the curricular offering.

(2) This act does not prohibit a parent or legal guardian of a minor who is enrolled in any of grades kindergarten to 12 in a nonpublic school or who resides within a district and is being home-schooled from also enrolling the minor in the district in any nonessential elective curricular offering **that is** being provided by the district at a nonpublic school site**,** ~~or~~ that is provided by the district, a public school academy, or an intermediate district at a public school site, and that is ~~available~~ **offered** to pupils in the minor's grade level or age group, subject to compliance with the same requirements that apply to a full-time pupil's participation in the offering. For the purposes of this subsection, a curricular offering includes optional experiences associated with the curricular offering. State school aid ~~shall be~~ **is** provided under this act for a minor enrolled as described in this subsection only if all of the following apply:

(a) Either of the following:

(*i*) The nonpublic school site is located, or the nonpublic students are educated, within the geographic boundaries of the district.

(*ii*) If the nonpublic school has submitted a written request to the district in which the nonpublic school is located for the district to provide certain instruction under this subsection for a school year and the district does not agree to provide some or all of that instruction by May 1 immediately preceding that school year or, if the request is submitted after March 1 immediately preceding that school year, within 60 days after the nonpublic school submits the request, the instruction is instead provided by an eligible other district. This subparagraph does not require a nonpublic school to submit more than 1 request to the district in which the nonpublic school is located for that district to provide instruction under this subsection, and does not require a nonpublic school to submit an additional request to the district in which the nonpublic school is located for that district to provide additional instruction under this subsection beyond the instruction requested in the original request, before having the instruction provided by an eligible other district. A public school academy that is located in the district in which the nonpublic school is located or in an eligible other district also may provide instruction under this subparagraph under the same conditions as an eligible other district. As used in this subparagraph, "eligible other district" means a district that is located in the same intermediate district as the district in which the nonpublic school is located or is located in an intermediate district that is contiguous to that intermediate district.

(b) The nonpublic school is registered with the department as a nonpublic school and meets all state reporting requirements for nonpublic schools.

(c) The instruction is provided directly by a certified teacher of the district, public school academy, or intermediate district.

(d) The curricular offering is also ~~available~~ **offered** to full-time pupils in the minor's grade level or age group in the district or public school academy at a public school site **or through an online course published in the district's course catalog under section 21f**.

(e) The curricular offering is restricted to nonessential elective courses for pupils in grades kindergarten to 12.

(f) The district ensures that all individuals that have contact with pupils as part of a course provided to pupils enrolled in the district under **this** section ~~166b~~ and counted in membership under section 6 have not been convicted of sexual misconduct.

(g) The district ensures that an individual who provides direct or indirect curricular offerings to pupils as part of an optional or required course provided to pupils enrolled in the district under **this** section ~~166b~~ and counted in membership under section 6, or who has unsupervised contact with pupils as part of such a course, is subject to the requirements under sections 1230, 1230a, 1230b, 1230c, 1230d, 1230e, and 1230g of the revised school code, MCL 380.1230, 380.1230a, 380.1230b, 380.1230c, 380.1230d, 380.1230e, and 380.1230g, as if the individual is offered full-time or part-time employment in the district, is an employee of the district, or is assigned to regularly and continuously work under contract in any of its schools, as applicable.

(h) The district ensures that each optional experience associated with a course provided to pupils enrolled in the district under **this** section ~~166b~~ and counted in membership under section 6 is offered on a schedule that ensures that the experience is ~~available~~ **offered** to the majority of full-time pupils in membership in the district in the same grade level or age group as pupils participating in the course and enrolled in the district under **this** section**.** ~~166b.~~**Subject to the requirements under section 21f, if a pupil enrolled in the district requests to participate in a curricular offering that is offered through an online course published in the district's course catalog under section 21f, the pupil must be given the opportunity to participate in the curricular offering.**

(i) The district provides the department information necessary to quantify all of the following, in a form and manner prescribed by the department in conjunction with the center:

(*i*) A complete listing of all courses provided to pupils counted in membership in the district.

(*ii*) Course enrollments by each participant using local coding and the school codes for the exchange of data (SCED).

(*iii*) Identification of each course teacher or mentor.

(3) A nonessential course in grades 1 to 8 is a course other than a mathematics, science, social studies, and English language arts course required by the district for grade progression. Nonessential courses in grades 9 to 12 are those other than algebra 1, algebra 2, English 9-12, geometry, biology, chemistry, physics, economics, geography, American history, world history, the Constitution, government, and civics, or courses that fulfill the same credit requirement as these courses. Nonessential elective courses include courses offered by the local district for high school credit that are also capable of generating postsecondary credit, including, at least, advanced placement and international baccalaureate courses. College level courses taken by high school students for college credit are nonessential courses. Remedial courses for any grade in the above-listed essential courses are considered essential. Kindergarten is considered nonessential.

(4) Subject to section ~~6(4)(*ii*),~~ **6(4)(ii),** a minor enrolled as described in this section is a part-time pupil for purposes of state school aid under this act.

(5) A district that receives a written request to provide instruction under subsection (2) shall reply to the request in writing by May 1 immediately preceding the applicable school year or, if the request is made after March 1 immediately preceding that school year, within 60 days after the nonpublic school submits the request. The written reply ~~shall~~ **must** specify whether the district agrees to provide or does not agree to provide the instruction for each portion of instruction included in the request.

(6) For the purposes of this section, a curricular offering is considered to have been offered to full-time pupils enrolled in a district, public school academy, or intermediate district if both of the following are met:

(a) Either of the following:

(*i*) The curricular offering is included in a course list posted on the district's, public school academy's, or intermediate district's website.

(*ii*) The curricular offering is included in a written publication provided to the parents or legal guardians of pupils.

(b) The district, public school academy, or intermediate district provides written notification to the parents and legal guardians of pupils that a pupil who requests to participate in the curricular offering will be given the opportunity to participate, subject to applicable general eligibility requirements.

Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2018 PA 265, 2018 PA 586, and this amendatory act, from state sources for fiscal year 2018-2019 is estimated at $13,065,260,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2018-2019 are estimated at $12,833,016,000.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by this amendatory act, from state sources for fiscal year 2019-2020 is estimated at $13,455,765,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2019-2020 are estimated at $13,214,215,300.00.

Enacting section 2. Sections 20m, 22n, 24c, 25h, 32q, 61g, 61h, 64b, 99y, 104f, and 153 of the state school aid act of 1979, 1979 PA 94, MCL 388.1620m, 388.1622n, 388.1624c, 388.1625h, 388.1632q, 388.1661g, 388.1661h, 388.1664b, 388.1699y, 388.1704f, and 388.1753, are repealed effective October 1, 2019.

Enacting section 3. (1) Except as otherwise provided in subsection (2), this amendatory act takes effect October 1, 2019.

(2) Sections 11, 11m, 15, 22a, 22b, 26a, 26b, 26c, 51a, 51c, 56, 62, 74a, 95a, 147e, and 152b of the state school aid act of 1979, MCL 388.1611, 388.1611m, 388.1615, 388.1622a, 388.1622b, 388.1626a, 388.1626b, 388.1626c, 388.1651a, 388.1651c, 388.1656, 388.1662, 388.1674a, 388.1695a, 388.1747e, and 388.1752b, as amended by this amendatory act, take effect upon enactment of this amendatory act.

Third: That the House and Senate agree to the title of the bill to read as follows:

A bill to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to

repeal acts and parts of acts" by amending sections 4, 6, 8b, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25e, 25f, 25g, 26a, 26b, 26c, 31a, 31b, 31d, 31f, 31j, 31n, 32d, 32p, 35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 61f, 62, 64d, 65, 67, 74, 74a, 81, 94, 94a, 95a, 95b, 98, 99h, 99s, 99t, 99u, 99v, 99w, 99x, 101, 102d, 104, 104c, 104d, 107, 147, 147a, 147c, 147e, 152a, 152b, 160, 166, 166a, and 166b (MCL 388.1604, 388.1606, 388.1608b, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618, 388.1620, 388.1620d, 388.1620f, 388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625e, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1631a, 388.1631b, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1661f, 388.1662, 388.1664d, 388.1665, 388.1667, 388.1674, 388.1674a, 388.1681, 388.1694, 388.1694a, 388.1695a, 388.1695b, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699v, 388.1699w, 388.1699x, 388.1701, 388.1702d, 388.1704, 388.1704c, 388.1704d, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1752b, 388.1760, 388.1766, 388.1766a, and 388.1766b), sections 4 and 8b as amended and section 160 as added by 2017 PA 108, sections 6, 11, 18, 31a, 31j, 32d, 35a, 35b, 39a, 99h, and 99u as amended and sections 31n, 61f, 74a, 99w, and 99x as added by 2018 PA 586, sections 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 24, 24a, 25e, 25f, 25g, 26a, 26b, 26c, 31b, 31d, 31f, 32p, 39, 41, 51a, 51c, 51d, 53a, 54, 54b, 55, 56, 61a, 61b, 61c, 62, 64d, 65, 67, 74, 81, 94, 94a, 95b, 98, 99s, 99t, 102d, 104, 104c, 104d, 107, 147, 147a, 147c, 147e, 152a, 152b, and 166b as amended and sections 22p, 54d, 61d, and 99v as added by 2018 PA 265, section 95a as amended by 2015 PA 85, section 101 as amended by 2019 PA 11, section 166 as amended by 2016 PA 249, and section 166a as amended by 2004 PA 166, and by adding sections 28, 35c, 35d, 51f, 54e, 67a, 67b, 97, 97a, 99z, and 99bb; and to repeal acts and parts of acts.

Aaron Miller
Pamela Hornberger
Conferees for the House

Wayne Schmidt
Jim Stamas
Conferees for the Senate

Reports of Standing Committees

The Committee on Transportation, by Rep. O'Malley, Chair, referred

House Bill No. 4395, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 636 (MCL 257.636), as amended by 2018 PA 279.

to the Committee on Ways and Means.

Favorable Roll Call

To Refer:

Yeas: Reps. O'Malley, Eisen, Cole, Sheppard, Alexander, Bellino, Howell, Afendoulis, Sneller, Clemente, Yancey, Haadsma and Shannon

Nays: None

The bill was referred to the Committee on Ways and Means.

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. O'Malley, Chair, of the Committee on Transportation, was received and read:

Meeting held on: Tuesday, September 17, 2019

Present: Reps. O'Malley, Eisen, Cole, Sheppard, Alexander, Bellino, Howell, Afendoulis, Sneller, Clemente, Yancey, Haadsma and Shannon

The Committee on Natural Resources and Outdoor Recreation, by Rep. Howell, Chair, referred
House Bill No. 4735, entitled
A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 40118 (MCL 324.40118), as amended by 2017 PA 124.
to the Committee on Judiciary.

Favorable Roll Call

To Refer:
Yeas: Reps. Howell, Wakeman, Eisen, Sowerby, Cambensy and Pohutsky
Nays: Reps. Calley, Reilly and Rendon
The bill was referred to the Committee on Judiciary.

The Committee on Natural Resources and Outdoor Recreation, by Rep. Howell, Chair, referred
House Bill No. 4736, entitled
A bill to amend 1976 PA 442, entitled "Freedom of information act," by amending section 5 (MCL 15.235), as amended by 2018 PA 105.
to the Committee on Judiciary.

Favorable Roll Call

To Refer:
Yeas: Reps. Howell, Wakeman, Eisen, Sowerby, Cambensy and Pohutsky
Nays: Reps. Calley, Reilly and Rendon
The bill was referred to the Committee on Judiciary.

The Committee on Natural Resources and Outdoor Recreation, by Rep. Howell, Chair, referred
House Bill No. 4737, entitled
A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 13e (MCL 777.13e), as amended by 2015 PA 189.
to the Committee on Judiciary.

Favorable Roll Call

To Refer:
Yeas: Reps. Howell, Wakeman, Eisen, Sowerby, Cambensy and Pohutsky
Nays: Reps. Calley, Reilly and Rendon
The bill was referred to the Committee on Judiciary.

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Howell, Chair, of the Committee on Natural Resources and Outdoor Recreation, was received and read:
Meeting held on: Tuesday, September 17, 2019
Present: Reps. Howell, Wakeman, Calley, Reilly, Rendon, Eisen, Sowerby, Cambensy and Pohutsky

The Committee on Regulatory Reform, by Rep. Webber, Chair, referred
House Bill No. 4916, entitled
A bill to create the sports betting act; to impose requirements for persons to engage in sports betting; to provide for the powers and duties of state governmental officers and entities; to impose fees; to impose a tax on the conduct of licensed sports betting; to prohibit certain acts in relation to sports betting and to prescribe penalties for those violations; to require the promulgation of rules; and to provide remedies.
to the Committee on Ways and Means.

Favorable Roll Call

To Refer:
Yeas: Reps. Webber, Berman, Crawford, Farrington, Frederick, Hoitenga, Filler, Hall, Wendzel, Chirkun and Garza
Nays: Reps. Liberati and Robinson
The bill was referred to the Committee on Ways and Means.

The Committee on Regulatory Reform, by Rep. Webber, Chair, referred
House Bill No. 4917, entitled
A bill to amend 1931 PA 328, entitled "The Michigan penal code," (MCL 750.1 to 750.568) by adding section 310d.
to the Committee on Ways and Means.

Favorable Roll Call

To Refer:
Yeas: Reps. Webber, Berman, Crawford, Farrington, Frederick, Hoitenga, Filler, Hall, Wendzel, Chirkun, Cambensy and Garza
Nays: Reps. Liberati and Robinson
The bill was referred to the Committee on Ways and Means.

The Committee on Regulatory Reform, by Rep. Webber, Chair, referred
House Bill No. 4918, entitled
A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 14d of chapter XVII (MCL 777.14d), as amended by 2016 PA 272.
to the Committee on Ways and Means.

Favorable Roll Call

To Refer:
Yeas: Reps. Webber, Berman, Crawford, Farrington, Frederick, Hoitenga, Filler, Hall, Wendzel, Chirkun, Cambensy and Garza
Nays: Reps. Liberati and Robinson
The bill was referred to the Committee on Ways and Means .

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Webber, Chair, of the Committee on Regulatory Reform, was received and read:
Meeting held on: Tuesday, September 17, 2019
Present: Reps. Webber, Berman, Crawford, Farrington, Frederick, Hoitenga, Filler, Hall, Wendzel, Chirkun, Liberati, Cambensy, Jones, Garza and Robinson

The Committee on Ways and Means, by Rep. Iden, Chair, reported
House Bill No. 4406, entitled
A bill to amend 2008 PA 525, entitled "Fostering futures scholarship trust fund act," by amending section 7b (MCL 722.1027b), as added by 2014 PA 530.
Without amendment and with the recommendation that the bill pass.
The bill was referred to the order of Second Reading of Bills.

Favorable Roll Call

To Report Out:
Yeas: Reps. Iden, Lilly, Leutheuser, Griffin, Hauck, Kahle, Wentworth, Warren, Neeley and Hertel
Nays: None

The Committee on Ways and Means, by Rep. Iden, Chair, reported
House Bill No. 4710, entitled
A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 16215, 16322, 16501, 16511, 16521, 16525, and 16529 (MCL 333.16215, 333.16322, 333.16501, 333.16511, 333.16521, 333.16525, and 333.16529), section 16215 as amended by 2005 PA 211, sections 16322, 16501, 16525, and 16529 as added by 2006 PA 30, section 16511 as amended by 2006 PA 397, and section 16521 as amended by 2010 PA 79, and by adding sections 16513, 16515, and 16517.
With the recommendation that the substitute (H-2) be adopted and that the bill then pass.
The bill and substitute were referred to the order of Second Reading of Bills.

Favorable Roll Call

To Report Out:
Yeas: Reps. Iden, Lilly, Leutheuser, Griffin, Hauck, Kahle, Wentworth, Warren, Neeley and Hertel
Nays: None

The Committee on Ways and Means, by Rep. Iden, Chair, reported
Senate Bill No. 228, entitled
A bill to create a suicide prevention commission within the legislative council and to prescribe its powers and duties; and to prescribe the powers and duties of certain state officers and entities.
With the recommendation that the substitute (H-1) be adopted and that the bill then pass.
The bill and substitute were referred to the order of Second Reading of Bills.

Favorable Roll Call

To Report Out:
Yeas: Reps. Iden, Lilly, Leutheuser, Griffin, Hauck, Kahle, Wentworth, Warren, Neeley and Hertel
Nays: None

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Iden, Chair, of the Committee on Ways and Means, was received and read:
Meeting held on: Tuesday, September 17, 2019
Present: Reps. Iden, Lilly, Leutheuser, Griffin, Hauck, Kahle, Wentworth, Warren, Neeley and Hertel
Absent: Rep. Byrd
Excused: Rep. Byrd

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Hall, Chair, of the Committee on Oversight, was received and read:
Meeting held on: Thursday, September 12, 2019
Present: Reps. Hall, Reilly, Webber, Steven Johnson, LaFave, Schroeder, Cynthia Johnson, Camilleri and LaGrand

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Sheppard, Chair, of the Committee on Government Operations, was received and read:

Meeting held on: Tuesday, September 17, 2019
Present: Reps. Sheppard, Cole, Lilly and Rabhi
Absent: Rep. Greig
Excused: Rep. Greig

Messages from the Senate

House Bill No. 4189, entitled

A bill to amend 2007 PA 36, entitled "Michigan business tax act," by amending sections 117 and 500 (MCL 208.1117 and 208.1500), section 117 as amended by 2011 PA 292 and section 500 as amended by 2016 PA 426; and to repeal acts and parts of acts.

The Senate has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

House Bill No. 4191, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 680 (MCL 206.680), as amended by 2012 PA 70.

The Senate has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

House Bill No. 4190, entitled

A bill to amend 1995 PA 24, entitled "Michigan economic growth authority act," by amending section 8 (MCL 207.808), as amended by 2009 PA 123.

The Senate has substituted (S-2) the bill.

The Senate has passed the bill as substituted (S-2), ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The Speaker announced that pursuant to Rule 42, the bill was laid over one day.

Senate Bill No. 379, entitled

A bill to amend 1951 PA 51, entitled "An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to promote safe and efficient travel for motor vehicle drivers, bicyclists, pedestrians, and other legal users of roads, streets, and highways; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, local bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line

fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal acts and parts of acts," (MCL 247.651 to 247.675) by adding section 11a.

The Senate has passed the bill.

The bill was read a first time by its title and referred to the Committee on Transportation.

Communications from State Officers

The following communication from the Department of Licensing and Regulatory Affairs was received and read:

September 9, 2019

On behalf of the Department of Licensing and Regulatory Affairs (LARA), Bureau of Construction Codes (BCC), please find attached, the ***14th Biennial Report to the Legislature, State Survey & Remonumentation Program, pursuant to 1990 PA 345, et. seq.***

This report will also be available on the department's website at www.michigan.gov/lara by linking to "All About LARA," to "Legislative Reports," and "MCL Reports".

If you have any questions, please contact: lara-legislativecontact@michigan.gov.

The communication was referred to the Clerk.

Announcements by the Clerk

September 13, 2019

Received from the Auditor General a copy of the:

- Performance audit report on the Michigan Cyber Civilian Corps, Department of Technology, Management, and Budget (071-0519-19), September 2019.

Gary L. Randall
Clerk of the House

By unanimous consent the House returned to the order of

Introduction of Bills

Rep. VanWoerkom introduced

House Bill No. 4974, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 1278a (MCL 380.1278a), as amended by 2018 PA 232.

The bill was read a first time by its title and referred to the Committee on Education.

Reps. Eisen, Wozniak and Markkanen introduced

House Bill No. 4975, entitled

A bill to amend 1964 PA 170, entitled "An act to make uniform the liability of municipal corporations, political subdivisions, and the state, its agencies and departments, officers, employees, and volunteers thereof, and members of certain boards, councils, and task forces when engaged in the exercise or discharge of a governmental function, for injuries to property and persons; to define and limit this liability; to define and limit the liability of the state when engaged in a proprietary function; to authorize the purchase of liability insurance to protect against loss arising out of this liability; to provide for defending certain claims made against public officers, employees, and volunteers and for paying damages sought or awarded against them;

to provide for the legal defense of public officers, employees, and volunteers; to provide for reimbursement of public officers and employees for certain legal expenses; and to repeal acts and parts of acts," (MCL 691.1401 to 691.1419) by adding section 6b.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Eisen, Wozniak and Markkanen introduced

House Bill No. 4976, entitled

A bill to amend 1846 RS 66, entitled "Of estates in dower, by the curtesy, and general provisions concerning real estate," (MCL 554.131 to 554.139) by adding section 40.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Rep. Camilleri introduced

House Bill No. 4977, entitled

A bill to amend 1991 PA 179, entitled "Michigan telecommunications act," by amending section 316 (MCL 484.2316), as amended by 2011 PA 58.

The bill was read a first time by its title and referred to the Committee on Communications and Technology.

Reps. Brann and Steven Johnson introduced

House Bill No. 4978, entitled

A bill to provide for the establishment of a wholesale prescription drug importation program; to provide for the powers and duties of certain state and local governmental officers and entities; and to require the promulgation of rules.

The bill was read a first time by its title and referred to the Committee on Health Policy.

Reps. Steven Johnson and Brann introduced

House Bill No. 4979, entitled

A bill to provide for the establishment of an international wholesale prescription drug importation program; to provide for the powers and duties of certain state and local governmental officers and entities; and to require the promulgation of rules.

The bill was read a first time by its title and referred to the Committee on Health Policy.

Reps. Leutheuser, Webber, Bellino, Rabhi, Filler, O'Malley, Wentworth, Sabo, Coleman, Hertel, Cynthia Johnson, Yancey, Whitsett, Peterson, Brenda Carter, Brann, Cherry, Manoogian, Sowerby, Garza, Inman, Wendzel, Tyrone Carter, Koleszar, Kahle, Gay-Dagnogo, Sheppard, Wozniak, Rendon, Bolden, Garrett, Tate, Cambensy, Jones, Crawford, Slagh, Anthony, Camilleri, Guerra, Meerman, Wittenberg, Hoadley, Kuppa, Brixie, Hood, Pohutsky, Reilly and Robinson introduced

House Bill No. 4980, entitled

A bill to amend 1965 PA 213, entitled "An act to provide for setting aside the conviction in certain criminal cases; to provide for the effect of such action; to provide for the retention of certain nonpublic records and their use; to prescribe the powers and duties of certain public agencies and officers; and to prescribe penalties," by amending sections 1 and 4 (MCL 780.621 and 780.624), section 1 as amended by 2016 PA 336 and section 4 as amended by 2014 PA 335, and by adding section 1b.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Wendzel, Filler, Webber, Rabhi, Kahle, Bellino, Berman, O'Malley, Wentworth, Sabo, Leutheuser, Hertel, Cynthia Johnson, Coleman, Yancey, Whitsett, Peterson, Brenda Carter, Brann, Cherry, Manoogian, Sowerby, Garza, Inman, Gay-Dagnogo, Tyrone Carter, Koleszar, Sheppard, Wozniak, Rendon, Bolden, Garrett, Tate, Cambensy, Jones, Crawford, Slagh, Anthony, Camilleri, Guerra, Mueller, Meerman, Wittenberg, Hoadley, Kuppa, Brixie, Hood, Lilly, Yaroch, Robinson, Pohutsky and Reilly introduced

House Bill No. 4981, entitled

A bill to amend 1965 PA 213, entitled "An act to provide for setting aside the conviction in certain criminal cases; to provide for the effect of such action; to provide for the retention of certain nonpublic records and their use; to prescribe the powers and duties of certain public agencies and officers; and to prescribe penalties," by amending section 1 (MCL 780.621), as amended by 2016 PA 336.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Meerman, Webber, Rabhi, Bellino, Filler, O'Malley, Wentworth, Sabo, Coleman, Leutheuser, Hertel, Cynthia Johnson, Yancey, Whitsett, Peterson, Brenda Carter, Brann, Cherry, Manoogian, Sowerby, Garza, Inman, Wendzel, Tyrone Carter, Koleszar, Gay-Dagnogo, Sheppard, Wozniak, Rendon, Bolden, Kahle, Garrett, Tate, Wittenberg, Jones, Cambensy, Crawford, Slagh, Anthony, Camilleri, Guerra, Mueller, Hoadley, Kuppa, Brixie, Hood, Lilly, Yaroch, Pohutsky, Robinson and Reilly introduced

House Bill No. 4982, entitled

A bill to amend 1965 PA 213, entitled "An act to provide for setting aside the conviction in certain criminal cases; to provide for the effect of such action; to provide for the retention of certain nonpublic records and their use; to prescribe the powers and duties of certain public agencies and officers; and to prescribe penalties," by amending section 1 (MCL 780.621), as amended by 2016 PA 336.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Rabhi, Filler, Webber, Bellino, Wittenberg, O'Malley, Wentworth, Sabo, Leutheuser, Hertel, Cynthia Johnson, Coleman, Yancey, Whitsett, Peterson, Brenda Carter, Brann, Cherry, Manoogian, Sowerby, Garza, Inman, Wendzel, Tyrone Carter, Gay-Dagnogo, Koleszar, Sheppard, Wozniak, Rendon, Bolden, Kahle, Garrett, Jones, Tate, Cambensy, Crawford, Slagh, Anthony, Camilleri, Guerra, Mueller, Meerman, Hoadley, Kuppa, Brixie, Hood, Lilly, Pohutsky, Reilly and Robinson introduced

House Bill No. 4983, entitled

A bill to amend 1965 PA 213, entitled "An act to provide for setting aside the conviction in certain criminal cases; to provide for the effect of such action; to provide for the retention of certain nonpublic records and their use; to prescribe the powers and duties of certain public agencies and officers; and to prescribe penalties," by amending section 1 (MCL 780.621), as amended by 2016 PA 336.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. LaGrand, Webber, Bellino, Rabhi, Filler, O'Malley, Wentworth, Sabo, Coleman, Leutheuser, Hertel, Cynthia Johnson, Yancey, Whitsett, Peterson, Brenda Carter, Brann, Cherry, Manoogian, Sowerby, Garza, Inman, Wendzel, Tyrone Carter, Koleszar, Kahle, Gay-Dagnogo, Sheppard, Wozniak, Rendon, Bolden, Garrett, Jones, Tate, Cambensy, Crawford, Slagh, Anthony, Camilleri, Guerra, Meerman, Wittenberg, Hoadley, Kuppa, Brixie, Hood, Lilly, Pohutsky, Reilly and Robinson introduced

House Bill No. 4984, entitled

A bill to amend 1965 PA 213, entitled "An act to provide for setting aside the conviction in certain criminal cases; to provide for the effect of such action; to provide for the retention of certain nonpublic records and their use; to prescribe the powers and duties of certain public agencies and officers; and to prescribe penalties," by amending section 1 (MCL 780.621), as amended by 2016 PA 336.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Gay-Dagnogo, Webber, Rabhi, Bellino, Filler, Wentworth, O'Malley, Sabo, Leutheuser, Hertel, Cynthia Johnson, Coleman, Yancey, Whitsett, Peterson, Brenda Carter, Cherry, Manoogian, Sowerby, Garza, Inman, Wendzel, Tyrone Carter, Koleszar, Sheppard, Wozniak, Bolden, Kahle, Rendon, Garrett, Tate, Cambensy, Crawford, Wittenberg, Jones, Slagh, Anthony, Camilleri, Guerra, Meerman, Kuppa, Brixie, Hood, Lilly, Pohutsky, Reilly, Robinson and Berman introduced

House Bill No. 4985, entitled

A bill to amend 1965 PA 213, entitled "An act to provide for setting aside the conviction in certain criminal cases; to provide for the effect of such action; to provide for the retention of certain nonpublic records and their use; to prescribe the powers and duties of certain public agencies and officers; and to prescribe penalties," by amending section 1 (MCL 780.621), as amended by 2016 PA 336.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Allor, Whitsett, Hornberger, Reilly, Yaroch, Eisen, Bellino, Miller, Markkanen and Garrett introduced

House Bill No. 4986, entitled

A bill to prohibit employers from discriminating against an individual because the individual has not received or declines to receive the influenza vaccination; to prohibit retaliation; and to provide remedies.

The bill was read a first time by its title and referred to the Committee on Commerce and Tourism.

Reps. Whitsett, Allor, Hornberger, Inman, Garza, Reilly, Yaroch, Eisen, Bellino, Miller and Markkanen introduced

House Bill No. 4987, entitled

A bill to prohibit employers from discriminating against an individual because the individual has not received or declines to receive the tetanus, diphtheria, and pertussis vaccination; to prohibit retaliation; and to provide remedies.

The bill was read a first time by its title and referred to the Committee on Commerce and Tourism.

Rep. Lower introduced

House Bill No. 4988, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1306a.

The bill was read a first time by its title and referred to the Committee on Education.

Rep. Hall moved that the House adjourn.

The motion prevailed, the time being 2:55 p.m.

Associate Speaker Pro Tempore Lilly declared the House adjourned until Wednesday, September 18, at 1:30 p.m.

GARY L. RANDALL
Clerk of the House of Representatives