

HOUSE BILL No. 4335

February 22, 2001, Introduced by Rep. Woronchak and referred to the Committee on Appropriations.

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending section 31a (MCL 388.1631a), as amended by 2000
PA 297.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 31a. (1) From the state school aid fund money appro-
2 priated in section 11, there is allocated ~~for 1999-2000 an~~
3 ~~amount not to exceed \$270,920,000.00,~~ for 2000-2001 an amount
4 not to exceed ~~\$304,000,000.00~~ \$306,270,000.00, for 2001-2002 an
5 amount not to exceed ~~\$319,200,000.00~~ \$321,550,000.00, and for
6 2002-2003 an amount not to exceed ~~\$329,095,200.00~~
7 \$331,505,000.00 for payments to eligible districts and eligible
8 public school academies under this section. Subject to
9 subsection (10), the amount of the additional allowance under
10 this section shall be based on the number of actual pupils in

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1 membership in the district or public school academy who met the
2 income eligibility criteria for free breakfast, lunch, or milk in
3 the immediately preceding state fiscal year, as determined under
4 the Richard B. Russell national school lunch act, chapter 281,
5 60 Stat. 230, 42 U.S.C. 1751 to 1753, 1755 to 1761, 1762a, 1765
6 to 1766a, 1769, 1769b to 1769c, and 1769f to 1769h, and reported
7 to the department by October 31 of the immediately preceding
8 fiscal year and adjusted not later than December 31 of the imme-
9 diately preceding fiscal year. However, for a public school
10 academy that began operations as a public school academy after
11 the pupil membership count day of the immediately preceding
12 school year, the basis for the additional allowance under this
13 section shall be the number of actual pupils in membership in the
14 public school academy who met the income eligibility criteria for
15 free breakfast, lunch, or milk in the current state fiscal year,
16 as determined under the Richard B. Russell national school lunch
17 act.

18 (2) To be eligible to receive funding under this section, a
19 district or public school academy that has not been previously
20 determined to be eligible shall apply to the department, in a
21 form and manner prescribed by the department, and a district or
22 public school academy must meet all of the following:

23 (a) The sum of the district's or public school academy's
24 combined state and local revenue per membership pupil in the cur-
25 rent state fiscal year, as calculated under section 20, plus the
26 amount of the district's per pupil allocation under section
27 20j(2), is less than or equal to \$6,500.00 adjusted by the dollar

1 amount of the difference between the basic foundation allowance
2 under section 20 for the current state fiscal year and
3 \$5,000.00. However, beginning in 2002-2003, the \$6,500.00 amount
4 prescribed in this subdivision shall be adjusted each year by an
5 amount equal to the dollar amount of the difference between the
6 basic foundation allowance for the current state fiscal year and
7 \$5,000.00, minus \$200.00.

8 (b) The district or public school academy agrees to use the
9 funding only for purposes allowed under this section and to
10 comply with the program and accountability requirements under
11 this section.

12 (3) Except as otherwise provided in this subsection, an eli-
13 gible district or eligible public school academy shall receive
14 under this section for each membership pupil in the district or
15 public school academy who met the income eligibility criteria for
16 free breakfast, lunch, or milk, as determined under the Richard
17 B. Russell national school lunch act and as reported to the
18 department by October 31 of the immediately preceding fiscal year
19 and adjusted not later than December 31 of the immediately pre-
20 ceding fiscal year, an amount per pupil equal to 11.5% of the sum
21 of the district's foundation allowance or public school academy's
22 per pupil allocation section 20, plus the amount of the
23 district's per pupil allocation under section 20j(2), not to
24 exceed \$6,500.00 adjusted by the dollar amount of the difference
25 between the basic foundation allowance under section 20 for the
26 current state fiscal year and \$5,000.00, or of the public school
27 academy's per membership pupil allocation under section 20 for

1 the current state fiscal year. However, beginning in 2002-2003,
2 the \$6,500.00 amount prescribed in this subsection shall be
3 adjusted each year by an amount equal to the dollar amount of the
4 difference between the basic foundation allowance for the current
5 state fiscal year and \$5,000.00, minus \$200.00. A public school
6 academy that began operations as a public school academy after
7 the pupil membership count day of the immediately preceding
8 school year shall receive under this section for each membership
9 pupil in the public school academy who met the income eligibility
10 criteria for free breakfast, lunch, or milk, as determined under
11 the Richard B. Russell national school lunch act and as reported
12 to the department by October 31 of the current fiscal year and
13 adjusted not later than December 31 of the current fiscal year,
14 an amount per pupil equal to 11.5% of the public school academy's
15 per membership pupil allocation under section 20 for the current
16 state fiscal year.

17 (4) Except as otherwise provided in this section, a district
18 or public school academy receiving funding under this section
19 shall use that money only to provide instructional programs and
20 direct noninstructional services, including, but not limited to,
21 medical or counseling services, for at-risk pupils and for the
22 purposes of subsection (5) or section 31c and shall not use any
23 of that money for administrative costs or to supplant another
24 program or other funds, except for funds allocated to the dis-
25 trict or public school academy under this section in the immedi-
26 ately preceding year and already being used by the district or
27 public school academy for at-risk pupils. The instruction or

1 direct noninstructional services provided under this section may
2 be conducted before or after regular school hours or by adding
3 extra school days to the school year and may be conducted using a
4 tutorial method, with paraprofessionals working under the super-
5 vision of a certificated teacher. The ratio of pupils to para-
6 professionals shall be between 10:1 and 15:1. Only 1 certifi-
7 cated teacher is required to supervise instruction using a tuto-
8 rial method. As used in this subsection, "to supplant another
9 program" means to take the place of a previously existing
10 instructional program or direct noninstructional services funded
11 from a funding source other than funding under this section.

12 (5) A district or public school academy that receives funds
13 under this section and that operates a school breakfast program
14 under section 1272a of the revised school code, MCL 380.1272a,
15 shall use from the funds received under this section an amount,
16 not to exceed \$10.00 per pupil for whom the district or public
17 school academy receives funds under this section, necessary to
18 operate the school breakfast program. ~~For 1999-2000 only, a~~
19 ~~district or public school academy that receives funds under this~~
20 ~~section and that operates a school lunch program under~~
21 ~~section 1272a of the revised school code, MCL 380.1272a, shall~~
22 ~~use from the funds received under this section an amount, not to~~
23 ~~exceed \$10.00 per pupil for whom the district or public school~~
24 ~~academy receives funds under this section, necessary to operate~~
25 ~~the school lunch program.~~

26 (6) Each district or public school academy receiving funds
27 under this section shall submit to the department by July 15 of

1 each fiscal year a report, not to exceed 10 pages, on the usage
2 by the district or public school academy of funds under this sec-
3 tion, which report shall include at least a brief description of
4 each program conducted by the district or public school academy
5 using funds under this section, the amount of funds under this
6 section allocated to each of those programs, the number of
7 at-risk pupils eligible for free or reduced price school lunch
8 who were served by each of those programs, and the total number
9 of at-risk pupils served by each of those programs. If a dis-
10 trict or public school academy does not comply with this subsec-
11 tion, the department shall withhold an amount equal to the August
12 payment due under this section until the district or public
13 school academy complies with this subsection. If the district or
14 public school academy does not comply with this subsection by the
15 end of the state fiscal year, the withheld funds shall be for-
16 feited to the school aid fund.

17 (7) In order to receive funds under this section, a district
18 or public school academy shall allow access for the department or
19 the department's designee to audit all records related to the
20 program for which it receives those funds. The district or
21 public school academy shall reimburse the state for all disallow-
22 ances found in the audit.

23 (8) Subject to subsection (5), any district may use up to
24 100% of the funds it receives under this section to reduce the
25 ratio of pupils to teachers in grades K-6, or any combination of
26 those grades, in school buildings in which the percentage of
27 pupils described in subsection (1) exceeds the district's

1 aggregate percentage of those pupils. Subject to subsection (5),
2 if a district obtains a waiver from the department, the district
3 may use up to 100% of the funds it receives under this section to
4 reduce the ratio of pupils to teachers in grades K-6, or any com-
5 bination of those grades, in school buildings in which the per-
6 centage of pupils described in subsection (1) is at least 60% of
7 the district's aggregate percentage of those pupils and at least
8 30% of the total number of pupils enrolled in the school
9 building. To obtain a waiver, a district must apply to the
10 department and demonstrate to the satisfaction of the department
11 that the class size reductions would be in the best interests of
12 the district's at-risk pupils.

13 (9) A district or public school academy may use funds
14 received under this section for adult high school completion,
15 general education development (G.E.D.) test preparation, or
16 adult basic education programs described in section 107.

17 (10) If necessary, and before any proration required under
18 section 11, the department shall prorate payments under this sec-
19 tion by reducing the amount of the per pupil payment under this
20 section by a dollar amount calculated by determining the amount
21 by which the amount necessary to fully fund the requirements of
22 this section exceeds the maximum amount allocated under this sec-
23 tion and then dividing that amount by the total statewide number
24 of pupils who met the income eligibility criteria for free break-
25 fast, lunch, or milk in the immediately preceding fiscal year, as
26 described in subsection (1).

1 (11) If a district is formed by consolidation after June 1,
2 1995, and if 1 or more of the original districts was not eligible
3 before the consolidation for an additional allowance under this
4 section, the amount of the additional allowance under this sec-
5 tion for the consolidated district shall be based on the number
6 of pupils described in subsection (1) enrolled in the consoli-
7 dated district who reside in the territory of an original dis-
8 trict that was eligible before the consolidation for an addi-
9 tional allowance under this section.

10 (12) ~~Beginning in 1999-2000, a~~ A district or public school
11 academy that does not meet the eligibility requirement under sub-
12 section (2)(a) is eligible for funding under this section if at
13 least 1/4 of the pupils in membership in the district or public
14 school academy met the income eligibility criteria for free
15 breakfast, lunch, or milk in the immediately preceding state
16 fiscal year, as determined and reported as described in
17 subsection (1), and at least 4,500 of the pupils in membership in
18 the district or public school academy met the income eligibility
19 criteria for free breakfast, lunch, or milk in the immediately
20 preceding state fiscal year, as determined and reported as
21 described in subsection (1). A district or public school academy
22 that is eligible for funding under this section because the dis-
23 trict meets the requirements of this subsection shall receive
24 under this section for each membership pupil in the district or
25 public school academy who met the income eligibility criteria for
26 free breakfast, lunch, or milk in the immediately preceding
27 fiscal year, as determined and reported as described in

1 subsection (1), an amount per pupil equal to ~~5.75%~~ 11.5% of the
2 sum of the district's foundation allowance or public school
3 academy's per pupil allocation under section 20, plus the amount
4 of the district's per pupil allocation under section 20j(2), not
5 to exceed \$6,500.00 adjusted by the dollar amount of the differ-
6 ence between the basic foundation allowance under section 20 for
7 the current state fiscal year and \$5,000.00. However, beginning
8 in 2002-2003, the \$6,500.00 amount prescribed in this subsection
9 shall be adjusted each year by an amount equal to the dollar
10 amount of the difference between the basic foundation allowance
11 for the current state fiscal year and \$5,000.00, minus \$200.00.

12 (13) Beginning in 2001-2002, the total amount allocated
13 under this section for a fiscal year shall be increased from the
14 total amount allocated under this section for the immediately
15 preceding fiscal year by the same percentage as the percentage
16 increase in the amount of the basic foundation allowance under
17 section 20 for that fiscal year from the amount of the basic
18 foundation allowance under section 20 for the immediately preced-
19 ing fiscal year.

20 (14) As used in this section, "at-risk pupil" means a pupil
21 for whom the district has documentation that the pupil meets at
22 least 2 of the following criteria: is a victim of child abuse or
23 neglect; is below grade level in English language and communica-
24 tion skills or mathematics; is a pregnant teenager or teenage
25 parent; is eligible for a federal free or reduced-price lunch
26 subsidy; has atypical behavior or attendance patterns; or has a
27 family history of school failure, incarceration, or substance

1 abuse. For pupils for whom the results of at least the
2 applicable Michigan education assessment program (MEAP) test have
3 been received, at-risk pupil also includes a pupil who does not
4 meet the other criteria under this subsection but who did not
5 achieve at least a score of moderate on the most recent MEAP
6 reading test for which results for the pupil have been received,
7 did not achieve at least a score of moderate on the most recent
8 MEAP mathematics test for which results for the pupil have been
9 received, or did not achieve at least a score of novice on the
10 most recent MEAP science test for which results for the pupil
11 have been received. For pupils in grades K-3, at-risk pupil also
12 includes a pupil who is at risk of not meeting the district's
13 core academic curricular objectives in English language, communi-
14 cation skills, or mathematics.