

# HOUSE BILL No. 4019

January 31, 1991, Introduced by Rep. Keith and referred to the Committee on Education.

A bill to amend section 6 of Act No. 94 of the Public Acts of 1979, entitled as amended  
"The state school aid act of 1979,"  
as amended by Act No. 207 of the Public Acts of 1990, being section 388.1606 of the Michigan Compiled Laws; and to add sections 19e, 34b, and 34c.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 6 of Act No. 94 of the Public Acts of  
2 1979, as amended by Act No. 207 of the Public Acts of 1990, being  
3 section 388.1606 of the Michigan Compiled Laws, is amended and  
4 sections 19e, 34b, and 34c are added to read as follows:

5 Sec. 6. (1) "Center program" means a program operated by a  
6 district or intermediate district for special education pupils  
7 from several districts in programs for the autistically impaired,  
8 trainable mentally impaired, severely mentally impaired, severely

1 multiply impaired, hearing impaired, physically and otherwise  
2 health impaired, and visually impaired. Programs for emotionally  
3 impaired pupils housed in buildings that do not serve regular  
4 education pupils shall also qualify. Unless otherwise approved  
5 by the department, a center program either shall serve all con-  
6 stituent districts within an intermediate district or shall serve  
7 several districts with less than 50% of the pupils residing in  
8 the operating district. In addition, pupils approved by the  
9 department, who formerly would have been placed in a center pro-  
10 gram, placed in noncenter programs to comply with the least  
11 restrictive environment provisions of section 612 of the educa-  
12 tion of the handicapped act, 20 U.S.C. 1412, may be counted under  
13 this section provided:

14 (a) The pupil is special education eligible and receiving  
15 special education programs or services on the pupil count date;  
16 and

17 (b) The pupil is eligible as autistically impaired, traina-  
18 ble mentally impaired, severely mentally impaired, and severely  
19 multiply impaired.

20 (2) "District pupil retention rate" means the proportion of  
21 pupils who have not dropped out of school in the immediately pre-  
22 ceding school year and is equal to 1 minus the quotient of the  
23 number of pupils unaccounted for in the immediately preceding  
24 school year, as determined pursuant to subsection (3), divided by  
25 the pupils of the immediately preceding school year.

26 (3) "District pupil retention report" means a report of the  
27 number of pupils, excluding migrant and adult, in the district

1 for the immediately preceding school year, adjusted for those  
2 pupils who have transferred into the district, transferred out of  
3 the district, transferred to alternative programs, and have grad-  
4 uated, to determine the number of pupils who are unaccounted  
5 for. The number of pupils unaccounted for shall be calculated as  
6 determined by the department.

7 (4) "Membership", except as otherwise provided in sections  
8 56 and 62, means the number of full-time equivalent pupils in  
9 grades K to 12 actually enrolled and in regular daily attendance  
10 on the pupil membership count day as determined by the number of  
11 pupils registered for attendance plus pupils received by transfer  
12 and minus pupils lost as defined by rules promulgated by the  
13 state board. In a district operating an extended school year  
14 program approved by the state board, a pupil enrolled, but not  
15 scheduled to be in regular daily attendance on the pupil member-  
16 ship count day, shall be counted. The department shall give a  
17 uniform interpretation of full-time and part-time memberships.  
18 The state board may provide a district with an adjustment of the  
19 district's membership count upon the showing of a substantial  
20 increase in membership due to the closing of a nonpublic school  
21 after the pupil membership count day. In a district offering  
22 classes that are scheduled for a full year in which different  
23 pupils participate in different sessions, full-time equated mem-  
24 berships shall be determined by dividing the number of class  
25 hours scheduled and provided per year per pupil by 900 for ele-  
26 mentary and secondary pupils and by 480 for adult pupils.

1 (5) "Pupil" means a person in membership in a public  
2 school. A district must have the approval of the pupil's  
3 district of residence to count the pupil in membership, except  
4 approval by the pupil's district of residence shall not be  
5 required for adult or nonpublic part-time pupils, for pupils  
6 receiving 1/2 or less of their instruction in a district other  
7 than their district of residence, or for those pupils who were  
8 enrolled and in regular daily attendance and remain enrolled and  
9 in regular daily attendance in the district other than their dis-  
10 trict of residence before April 1, 1981.

11 (6) "Pupil membership count day" of a district means:

12 (a) FOR A DISTRICT MAINTAINING SCHOOL FOR A PERIOD OF LESS  
13 THAN THE ENTIRE SCHOOL YEAR, THE FOLLOWING DAYS:

14 (i) The fourth Friday following Labor day each school year.

15 (ii) THE FOURTH FRIDAY IN JANUARY, BUT SOLELY TO CONDUCT AN  
16 ADDITIONAL PUPIL MEMBERSHIP COUNT FOR THE PURPOSES OF  
17 SECTION 19E.

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

20 (i) Fourth Friday in July.

21 (ii) Fourth Friday in October.

22 (iii) Fourth Friday in January.

23 (iv) Fourth Friday in April.

24 (c) A district receiving funds from the job training part-  
25 nership act, Public Law 97-300, 96 Stat. 1322, or a district  
26 operating a training program approved by the department may amend  
27 the number of pupils counted on the pupil membership count day to

1 include pupils participating in the job training partnership act  
2 program or a training program approved by the department. The  
3 pupil membership count day for these pupils shall be the third  
4 Friday after the first Monday after the start of instruction for  
5 the program. Aid received under section 21(1) for these pupils  
6 shall be reduced  $1/480$  for each hour of classroom instruction the  
7 pupils are scheduled to receive under 480 hours and further  
8 reduced to ensure that the combined section 21(1) and the job  
9 training partnership act or other approved training program aid  
10 for the programs do not exceed the cost of the programs as veri-  
11 fied by the intermediate school district of the district operat-  
12 ing the programs.

13 (d) For the 1990-91 school year only, for a district whose  
14 pupils are not in regular daily attendance on the pupil member-  
15 ship count day or on any of the 15 regular school days before the  
16 pupil membership count day, at the option of the district, either  
17 the second or the third Friday following the first Monday after  
18 either the start or resumption of pupil instruction.

19 (7) "Rule" means a rule promulgated pursuant to the adminis-  
20 trative procedures act of 1969, Act No. 306 of the Public Acts of  
21 1969, as amended, being sections 24.201 to 24.328 of the Michigan  
22 Compiled Laws.

23 (8) "The school code of 1976" means Act No. 451 of the  
24 Public Acts of 1976, as amended, being sections 380.1 to 380.1852  
25 of the Michigan Compiled Laws.

26 (9) "School fiscal year" means a fiscal year which commences  
27 July 1 and continues through June 30.

1 (10) "State board" means the state board of education.

2 (11) "Tuition pupil" means a pupil of school age attending  
3 school in a district other than the pupil's district of  
4 residence. A pupil's district of residence shall not require a  
5 high school tuition pupil, as provided under section 111, to  
6 attend another school district after the pupil has been assigned  
7 to a school district.

8 SEC. 19E. (1) TO CONTINUE TO RECEIVE ALL OF THE FUNDS FOR  
9 WHICH A DISTRICT QUALIFIES UNDER THIS ACT, THE BOARD OF THE DIS-  
10 TRICT SHALL DO ALL OF THE FOLLOWING:

11 (A) ADOPT A COMPULSORY ATTENDANCE POLICY THAT CONFORMS TO  
12 THE MANDATORY ATTENDANCE REQUIREMENTS OF SECTION 1561 OF THE  
13 SCHOOL CODE OF 1976, BEING SECTION 380.1561 OF THE MICHIGAN  
14 COMPILED LAWS.

15 (B) CONDUCT A MEMBERSHIP COUNT ON THE FOURTH FRIDAY IN  
16 JANUARY TO DETERMINE IF INDIVIDUALS AGE 16 OR OVER HAVE VACATED  
17 MEMBERSHIP IN THE DISTRICT IN VIOLATION OF SECTION 1561 OF THE  
18 SCHOOL CODE OF 1976 SINCE THE FOURTH FRIDAY OF SEPTEMBER OF THAT  
19 SCHOOL YEAR.

20 (C) REPORT TO THE DEPARTMENT ANY INDIVIDUALS AGE 16 OR OVER  
21 WHO HAVE VACATED MEMBERSHIP IN THE DISTRICT IN VIOLATION OF SEC-  
22 TION 1561 OF THE SCHOOL CODE OF 1976 BETWEEN THE FOURTH FRIDAY IN  
23 SEPTEMBER AND THE FOURTH FRIDAY IN JANUARY.

24 (2) IF A DISTRICT THAT RECEIVES FUNDS UNDER SECTION 21(1)  
25 REPORTS 1 OR MORE INDIVIDUALS TO THE DEPARTMENT UNDER SUBSECTION  
26 (1)(C), THE DISTRICT SHALL FORFEIT FOR EACH INDIVIDUAL REPORTED  
27 AN AMOUNT EQUAL TO 50% OF ITS NET MEMBERSHIP ALLOCATION

1 ATTRIBUTABLE TO THE INDIVIDUAL'S MEMBERSHIP IN THE DISTRICT.

2 FUNDS FORFEITED UNDER THIS SUBSECTION SHALL BE USED FOR THE PUR-  
3 POSES DESCRIBED IN SUBSECTION (4).

4 (3) IF A DISTRICT SUBJECT TO A DEDUCTION UNDER SECTION 21(5)  
5 REPORTS 1 OR MORE INDIVIDUALS TO THE DEPARTMENT UNDER SUBSECTION  
6 (1)(C), THE DISTRICT SHALL FORFEIT FOR EACH INDIVIDUAL REPORTED  
7 AN AMOUNT EQUAL TO 50% OF THE AVERAGE PER PUPIL MEMBERSHIP ALLOW-  
8 ANCE FOR THE IMMEDIATELY PRECEDING STATE FISCAL YEAR. THE AMOUNT  
9 FORFEITED SHALL BE DEDUCTED FROM STATE AID DUE TO THE DISTRICT  
10 BEFORE CALCULATING THE BASE REVENUE DEDUCTION UNDER  
11 SECTION 21(5). FUNDS FORFEITED UNDER THIS SUBSECTION SHALL BE  
12 USED FOR THE PURPOSES DESCRIBED IN SUBSECTION (4).

13 (4) FROM THE AMOUNT APPROPRIATED IN SECTION 11, THERE IS  
14 ALLOCATED TO EACH INTERMEDIATE SCHOOL DISTRICT AN AMOUNT NOT TO  
15 EXCEED THE SUM OF ALL FUNDS FORFEITED UNDER SUBSECTION (2) OR  
16 (3), OR BOTH, BY DISTRICTS CONSTITUENT TO THE INTERMEDIATE SCHOOL  
17 DISTRICT. THE INTERMEDIATE SCHOOL BOARD SHALL USE FUNDS ALLO-  
18 CATED UNDER THIS SECTION TO PROVIDE ON BEHALF OF ITS CONSTITUENT  
19 DISTRICTS 1 OR MORE OF THE FOLLOWING COOPERATIVE EDUCATIONAL  
20 PROGRAMS:

21 (A) AN ALTERNATIVE EDUCATION PROGRAM APPROVED BY THE  
22 DEPARTMENT.

23 (B) A PROGRAM OF VOCATIONAL EDUCATION THAT INCLUDES APPREN-  
24 TICESHIP OR WORK-STUDY, OR BOTH.

25 (C) A PROGRAM OF INDEPENDENT STUDY APPROVED BY THE  
26 DEPARTMENT.

1 (D) AN ACADEMIC OR VOCATIONAL PROGRAM AT A COMMUNITY  
2 COLLEGE.

3 (E) A DROPOUT PREVENTION PROGRAM.

4 (F) ANOTHER PROGRAM OR SERVICE APPROVED BY THE DEPARTMENT  
5 DESIGNED TO FACILITATE HIGH SCHOOL COMPLETION.

6 (5) AN INTERMEDIATE SCHOOL DISTRICT MAY PROVIDE THE PROGRAMS  
7 REQUIRED UNDER SUBSECTION (4) EITHER SOLELY OR AS PART OF A CON-  
8 SORTIUM OF INTERMEDIATE SCHOOL DISTRICTS.

9 SEC. 34B. (1) FROM THE AMOUNT APPROPRIATED IN SECTION 11,  
10 THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$35,000,000.00 FOR THE  
11 1991-92 STATE FISCAL YEAR TO ELIGIBLE DISTRICTS FOR ACHIEVEMENT  
12 INCENTIVE GRANTS TO REWARD IMPROVEMENT IN PUPIL ACADEMIC  
13 PERFORMANCE.

14 (2) TO BE ELIGIBLE FOR A GRANT UNDER THIS SECTION, A DIS-  
15 TRICT SHALL MEET ALL OF THE FOLLOWING CONDITIONS:

16 (A) NOT LATER THAN JULY 1, 1991, MAKES AVAILABLE TO THE  
17 INTERMEDIATE SCHOOL DISTRICT TO WHICH IT IS CONSTITUENT THE  
18 ANNUAL EDUCATION REPORT DESCRIBED IN SECTION 1204A OF THE SCHOOL  
19 CODE OF 1976, BEING SECTION 380.1204A OF THE MICHIGAN COMPILED  
20 LAWS, AND THE ANNUAL EDUCATIONAL REPORT CONTAINS A COMPARISON  
21 WITH THE IMMEDIATELY PRECEDING SCHOOL YEAR, FOR EACH SCHOOL IN  
22 THE DISTRICT, OF AGGREGATE PUPIL ACHIEVEMENT BASED ON AN ASSESS-  
23 MENT OF PUPIL ACHIEVEMENT ADOPTED BY THE DISTRICT. THE ASSESS-  
24 MENT OF PUPIL ACHIEVEMENT SHALL BE ESTABLISHED IN CONJUNCTION  
25 WITH THE MISSION STATEMENT, STUDENT OUTCOME GOALS, AND EVALUATION  
26 PROCESS OF THE SCHOOL IMPROVEMENT PLAN DESCRIBED IN SECTION 1277  
27 OF THE SCHOOL CODE OF 1976, BEING SECTION 380.1277 OF THE



1 MICHIGAN COMPILED LAWS, AND SHALL BE BASED ON THE RESULTS OF A  
2 LOCALLY ADMINISTERED STUDENT COMPETENCY TEST, STATEWIDE ACHIEVE-  
3 MENT TEST, OR NATIONALLY NORMED ACHIEVEMENT TEST THAT IS ADMINIS-  
4 TERED TO PUPILS ENROLLED IN THE DISTRICT AND IS APPROVED BY THE  
5 STATE BOARD.

6 (B) THE DISTRICT CONTAINS 1 OR MORE ELIGIBLE SCHOOLS. AN  
7 ELIGIBLE SCHOOL IS A SCHOOL THAT DEMONSTRATES STATISTICALLY SIG-  
8 NIFICANT IMPROVEMENT, AS DEFINED BY THE STATE BOARD, IN PUPIL  
9 ACADEMIC PERFORMANCE BASED ON THE ASSESSMENT OF PUPIL ACHIEVEMENT  
10 DATA CONTAINED IN THE ANNUAL EDUCATION REPORT DESCRIBED IN SUBDI-  
11 VISION (A) AND THE SAME ASSESSMENT OF PUPIL ACHIEVEMENT DATA  
12 EXAMINED OVER THE 3-YEAR PERIOD ENDING WITH THE SCHOOL YEAR IN  
13 WHICH THE EXAMINATION OF THE DATA IS MADE, AND THAT IS EITHER  
14 DETERMINED BY THE DEPARTMENT TO BE AMONG THE 40% OF SCHOOLS IN  
15 THE STATE THAT DEMONSTRATE THE GREATEST STATISTICAL IMPROVEMENT  
16 DESCRIBED IN THIS SUBDIVISION OR DETERMINED BY A SELECTION COM-  
17 MITTEE CREATED UNDER SUBSECTION (6) OR (7) TO BE AMONG THE 40% OF  
18 SCHOOLS WITHIN THE SELECTION COMMITTEE'S JURISDICTION THAT DEMON-  
19 STRATE THE GREATEST STATISTICAL IMPROVEMENT DESCRIBED IN THIS  
20 SUBDIVISION.

21 (3) THE DEPARTMENT SHALL ALLOCATE GRANT FUNDS UNDER THIS  
22 SECTION TO ELIGIBLE DISTRICTS PURSUANT TO SUBSECTION (4).

23 (4) THE DEPARTMENT SHALL DETERMINE THE TOTAL NUMBER OF  
24 PUPILS WHO ARE ENROLLED IN THIS STATE IN ELIGIBLE SCHOOLS, AS  
25 DESCRIBED IN SUBSECTION (2)(B), COUNTING A PUPIL ENROLLED IN A  
26 PROGRAM DESCRIBED IN SECTION 31 AS 1.5 PUPILS. THE DEPARTMENT  
27 SHALL THEN DETERMINE AN ELIGIBLE DISTRICT'S ALLOCATION UNDER THIS

1 SECTION BY MULTIPLYING THE TOTAL AMOUNT ALLOCATED IN SUBSECTION  
2 (1) BY THE PERCENTAGE OF THOSE PUPILS WHO ARE ENROLLED IN THAT  
3 SCHOOL DISTRICT.

4 (5) A DISTRICT THAT RECEIVES ACHIEVEMENT INCENTIVE GRANT  
5 FUNDS UNDER THIS SECTION SHALL DO ALL OF THE FOLLOWING:

6 (A) DISTRIBUTE THE FUNDS AMONG THE ELIGIBLE SCHOOLS, AS  
7 DESCRIBED IN SUBSECTION (2)(B), IN THE DISTRICT AND REPORT TO THE  
8 DEPARTMENT THE DOLLAR AMOUNT OF ALLOCATION TO EACH SCHOOL NOT  
9 LATER THAN DECEMBER 1, 1991.

10 (B) DELEGATE TO THE BUILDING TEAM, AS DESCRIBED IN  
11 SECTION 1277 OF THE SCHOOL CODE OF 1976, IN EACH ELIGIBLE SCHOOL  
12 THE RESPONSIBILITY TO DETERMINE HOW FUNDS WILL BE USED TO FURTHER  
13 IMPROVE PUPIL ACHIEVEMENT IN THE SCHOOL.

14 (C) PROVIDE A BRIEF EVALUATION REPORT TO THE DEPARTMENT NOT  
15 LATER THAN AUGUST 30, 1992, DESCRIBING HOW THE FUNDS WERE SPENT  
16 IN EACH SCHOOL AND THE ANTICIPATED IMPACT OF THE FUNDS.

17 (6) UPON THE REQUEST OF THE BOARD OF A CONSTITUENT DISTRICT,  
18 AN INTERMEDIATE SCHOOL BOARD MAY ESTABLISH A SELECTION COMMITTEE  
19 TO IDENTIFY THE ELIGIBLE SCHOOLS WITHIN THAT CONSTITUENT  
20 DISTRICT. THE SELECTION COMMITTEE SHALL CONSIST OF REPRESENTA-  
21 TIVES FROM ELIGIBLE CONSTITUENT DISTRICTS' SCHOOL IMPROVEMENT  
22 TEAMS ESTABLISHED UNDER SECTION 1277 OF THE SCHOOL CODE OF 1976  
23 AND SHALL INCLUDE AT LEAST SCHOOL BOARD MEMBERS, SCHOOL BUILDING  
24 ADMINISTRATORS, TEACHERS, COMMUNITY MEMBERS, AND PARENTS. IF A  
25 FIRST CLASS SCHOOL DISTRICT IS CONSTITUENT TO AN INTERMEDIATE  
26 SCHOOL DISTRICT THAT ESTABLISHES A SELECTION COMMITTEE AND DOES  
27 NOT ESTABLISH ITS OWN SELECTION COMMITTEE UNDER SUBSECTION (7),

1 THE NUMBER OF REPRESENTATIVES OF THE FIRST CLASS SCHOOL DISTRICT  
2 ON THE SELECTION COMMITTEE SHALL BE IN PROPORTION TO THE PERCENTAGE  
3 OF PUPILS IN THE INTERMEDIATE SCHOOL DISTRICT WHO ARE  
4 ENROLLED IN THE FIRST CLASS SCHOOL DISTRICT.

5 (7) A FIRST CLASS SCHOOL DISTRICT MAY ESTABLISH A SELECTION  
6 COMMITTEE INDEPENDENT OF AN INTERMEDIATE SCHOOL DISTRICT TO IDENTIFY  
7 THE ELIGIBLE SCHOOLS WITHIN THE FIRST CLASS SCHOOL  
8 DISTRICT. THE SELECTION COMMITTEE SHALL CONSIST OF REPRESENTATIVES  
9 DESCRIBED IN SUBSECTION (6).

10 SEC. 34C. (1) FROM THE AMOUNT APPROPRIATED IN SECTION 11,  
11 THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$15,000,000.00 FOR THE  
12 1991-92 STATE FISCAL YEAR TO ELIGIBLE DISTRICTS FOR ACHIEVEMENT  
13 INCENTIVE GRANTS TO REWARD ELIGIBLE SCHOOLS IN ELIGIBLE SCHOOL  
14 DISTRICTS FOR IMPROVEMENT IN PUPIL ATTENDANCE AS DEFINED IN SUB-  
15 SECTIONS (2) AND (3) OR IMPROVEMENT IN PUPIL RETENTION AS DEFINED  
16 BY THE STATE BOARD.

17 (2) A DISTRICT IS ELIGIBLE FOR FUNDS UNDER THIS SECTION IF  
18 IT SUBMITS EVIDENCE SATISFACTORY TO THE DEPARTMENT THAT THE  
19 ATTENDANCE RATE, AS DEFINED BY THE STATE BOARD, IN THE DISTRICT  
20 FOR THE 1990-91 SCHOOL YEAR INCREASED BY AT LEAST 3% OVER THAT  
21 FOR THE 1989-90 SCHOOL YEAR OR THAT THE DISTRICT MEETS THE PUPIL  
22 RETENTION STANDARDS DEVELOPED BY THE STATE BOARD.

23 (3) A SCHOOL IS ELIGIBLE FOR FUNDS UNDER THIS SECTION IF IT  
24 SUBMITS EVIDENCE SATISFACTORY TO THE DEPARTMENT THAT THE  
25 ATTENDANCE RATE, AS DEFINED BY THE STATE BOARD, AT THE SCHOOL FOR  
26 THE 1990-91 SCHOOL YEAR INCREASED BY AT LEAST 3% OVER THAT FOR

1 THE 1989-90 SCHOOL YEAR OR THAT THE SCHOOL MEETS THE PUPIL  
2 RETENTION STANDARDS DEVELOPED BY THE STATE BOARD.

3 (4) A DISTRICT THAT RECEIVES ACHIEVEMENT INCENTIVE FUNDS  
4 UNDER THIS SECTION SHALL DO ALL OF THE FOLLOWING:

5 (A) DISTRIBUTE THE FUNDS AMONG THE ELIGIBLE SCHOOLS WITHIN  
6 THE DISTRICT AND REPORT TO THE DEPARTMENT NOT LATER THAN  
7 DECEMBER 1, 1991 THE DOLLAR AMOUNT OF THE ALLOCATION TO EACH ELI-  
8 GIBLE SCHOOL.

9 (B) DELEGATE TO A BUILDING TEAM IN EACH ELIGIBLE SCHOOL THE  
10 RESPONSIBILITY OF DETERMINING HOW THE FUNDS WILL BE USED TO CON-  
11 TINUE TO IMPROVE PUPIL ATTENDANCE OR RETENTION IN THE SCHOOL.  
12 THE BUILDING TEAM SHALL CONSIST OF THE INDIVIDUALS DESCRIBED IN  
13 SECTION 1277 OF THE SCHOOL CODE OF 1976, BEING SECTION 380.1277  
14 OF THE MICHIGAN COMPILED LAWS.

15 (C) PROVIDE TO THE DEPARTMENT NOT LATER THAN AUGUST 30, 1992  
16 A BRIEF EVALUATION REPORT DESCRIBING HOW THE FUNDS WERE SPENT IN  
17 EACH ELIGIBLE SCHOOL AND THE ANTICIPATED IMPACT OF THE SPENDING  
18 OF THE FUNDS.

19 Section 2. This amendatory act shall not take effect unless  
20 all of the following bills of the 86th Legislature are enacted  
21 into law:

22 (a) Senate Bill No. \_\_\_\_ or House Bill No. \_\_\_\_ (request  
23 no. 00854'91).

24 (b) Senate Bill No. \_\_\_\_ or House Bill No. \_\_\_\_ (request  
25 no. 00857'91).