

HOUSE BILL No. 5470

November 29, 2001, Introduced by Reps. Bishop, Kowall, Vander Veen, Cassis, Julian, Kuipers and Raczkowski 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 6 (MCL 388.1606), as amended by 2000 PA 297.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) "Center program" means a program operated by a
2 district or intermediate district for special education pupils
3 from several districts in programs for the autistically impaired,
4 trainable mentally impaired, severely mentally impaired, severely
5 multiply impaired, hearing impaired, physically and otherwise
6 health impaired, and visually impaired. Programs for emotionally
7 impaired pupils housed in buildings that do not serve regular
8 education pupils also qualify. Unless otherwise approved by the
9 department, a center program either shall serve all constituent
10 districts within an intermediate district or shall serve several
11 districts with less than 50% of the pupils residing in the

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1 operating district. In addition, special education center
2 program pupils placed part-time in noncenter programs to comply
3 with the least restrictive environment provisions of section 612
4 of part B of the individuals with disabilities education act,
5 title VI of Public Law 91-230, 20 U.S.C. 1412, may be considered
6 center program pupils for pupil accounting purposes for the time
7 scheduled in either a center program or a noncenter program.

8 (2) "District pupil retention rate" means the proportion of
9 pupils who have not dropped out of school in the immediately pre-
10 ceding school year and is equal to 1 minus the quotient of the
11 number of pupils unaccounted for in the immediately preceding
12 school year, as determined pursuant to subsection (3), divided by
13 the pupils of the immediately preceding school year.

14 (3) "District pupil retention report" means a report of the
15 number of pupils, excluding migrant and adult, in the district
16 for the immediately preceding school year, adjusted for those
17 pupils who have transferred into the district, transferred out of
18 the district, transferred to alternative programs, and have grad-
19 uated, to determine the number of pupils who are unaccounted
20 for. The number of pupils unaccounted for shall be calculated as
21 determined by the department.

22 (4) "Membership", except as otherwise provided in this act,
23 means for ~~1999-2000 for a district, public school academy, uni-~~
24 ~~versity school, or intermediate district the sum of the product~~
25 ~~of .75 times the number of full-time equated pupils in grades K~~
26 ~~to 12 actually enrolled and in regular daily attendance on the~~
27 ~~pupil membership count day for the current school year, plus the~~

~~1 product of .25 times the final audited count from the~~
~~2 supplemental count day for the immediately preceding school~~
~~3 year. Beginning in 2000-2001, membership means~~ 2000-2001 for a
4 district, public school academy, university school, or intermedi-
5 ate district the sum of the product of .8 times the number of
6 full-time equated pupils in grades K to 12 actually enrolled and
7 in regular daily attendance on the pupil membership count day for
8 the current school year, plus the product of .2 times the final
9 audited count from the supplemental count day for the immediately
10 preceding school year. FOR 2001-2002, MEMBERSHIP MEANS FOR A
11 DISTRICT, PUBLIC SCHOOL ACADEMY, UNIVERSITY SCHOOL, OR INTERMEDI-
12 ATE DISTRICT THE SUM OF THE PRODUCT OF .9 TIMES THE NUMBER OF
13 FULL-TIME EQUATED PUPILS IN GRADES K TO 12 ACTUALLY ENROLLED AND
14 IN REGULAR DAILY ATTENDANCE ON THE PUPIL MEMBERSHIP COUNT DAY FOR
15 THE CURRENT SCHOOL YEAR, PLUS THE PRODUCT OF .1 TIMES THE FINAL
16 AUDITED COUNT FROM THE SUPPLEMENTAL COUNT DAY FOR THE IMMEDIATELY
17 PRECEDING SCHOOL YEAR. FOR 2002-2003 AND EACH SUCCEEDING FISCAL
18 YEAR, MEMBERSHIP MEANS FOR A DISTRICT, PUBLIC SCHOOL ACADEMY,
19 UNIVERSITY SCHOOL, OR INTERMEDIATE DISTRICT THE NUMBER OF
20 FULL-TIME EQUATED PUPILS IN REGULAR DAILY ATTENDANCE ON THE PUPIL
21 MEMBERSHIP COUNT DAY FOR THE CURRENT SCHOOL YEAR. All pupil
22 counts used in this subsection are as determined by the depart-
23 ment and calculated by adding the number of pupils registered for
24 attendance plus pupils received by transfer and minus pupils lost
25 as defined by rules promulgated by the superintendent, and as
26 corrected by a subsequent department audit. The amount of the
27 foundation allowance for a pupil in membership is determined

1 under section 20. In making the calculation of membership, all
2 of the following, as applicable, apply to determining the member-
3 ship of a district, public school academy, university school, or
4 intermediate district:

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

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

20 (c) A special education pupil educated by the intermediate
21 district shall be counted in membership in the intermediate
22 district.

23 (d) A pupil placed by a court or state agency in an
24 on-grounds program of a juvenile detention facility, a child
25 caring institution, or a mental health institution, or a pupil
26 funded under section 53a, shall be counted in membership in the

1 district or intermediate district approved by the department to
2 operate the program.

3 (e) A pupil enrolled in the Michigan schools for the deaf
4 and blind shall be counted in membership in the pupil's interme-
5 diate district of residence.

6 (f) A pupil enrolled in a vocational education program sup-
7 ported by a millage levied over an area larger than a single dis-
8 trict or in an area vocational-technical education program estab-
9 lished pursuant to section 690 of the revised school code,
10 MCL 380.690, shall be counted only in the pupil's district of
11 residence.

12 (g) A pupil enrolled in a university school shall be counted
13 in membership in the university school.

14 (h) A pupil enrolled in a public school academy shall be
15 counted in membership in the public school academy.

16 (i) For a new district, university school, or public school
17 academy beginning its operation after December 31, 1994, member-
18 ship for the first 2 full or partial fiscal years of operation
19 shall be determined as follows:

20 (i) If operations begin before the pupil membership count
21 day for the fiscal year, membership is the average number of
22 full-time equated pupils in grades K to 12 actually enrolled and
23 in regular daily attendance on the pupil membership count day for
24 the current school year and on the supplemental count day for the
25 current school year, as determined by the department and calcu-
26 lated by adding the number of pupils registered for attendance on
27 the pupil membership count day plus pupils received by transfer

1 and minus pupils lost as defined by rules promulgated by the
2 superintendent, and as corrected by a subsequent department
3 audit, plus the final audited count from the supplemental count
4 day for the current school year, and dividing that sum by 2.

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

11 (j) If a district is the authorizing body for a public
12 school academy, then, in the first school year in which pupils
13 are counted in membership on the pupil membership count day in
14 the public school academy, the determination of the district's
15 membership shall exclude from the district's pupil count for the
16 immediately preceding supplemental count day any pupils who are
17 counted in the public school academy on that first pupil member-
18 ship count day who were also counted in the district on the imme-
19 diately preceding supplemental count day.

20 (k) In a district, public school academy, university school,
21 or intermediate district operating an extended school year pro-
22 gram approved by the superintendent, a pupil enrolled, but not
23 scheduled to be in regular daily attendance on a pupil membership
24 count day, shall be counted.

25 (l) Pupils to be counted in membership shall be not less
26 than 5 years of age on December 1 and less than 20 years of age
27 on September 1 of the school year except a special education

1 pupil who is enrolled and receiving instruction in a special
2 education program approved by the department and not having a
3 high school diploma who is less than 26 years of age as of
4 September 1 of the current school year shall be counted in
5 membership.

6 (m) An individual who has obtained a high school diploma
7 shall not be counted in membership. An individual who has
8 obtained a general education development (G.E.D.) certificate
9 shall not be counted in membership. An individual participating
10 in a job training program funded under former section 107a or a
11 jobs program funded under former section 107b, administered by
12 the Michigan strategic fund or the department of career develop-
13 ment, or participating in any successor of either of those 2 pro-
14 grams, shall not be counted in membership.

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

25 (i) If the public school academy provides instruction for at
26 least 1/2 of the class hours specified in subdivision (q), the
27 public school academy shall receive as its prorated share of the

1 full-time equated membership for each of those pupils an amount
2 equal to 1 times the product of the hours of instruction the
3 public school academy provides divided by the number of hours
4 specified in subdivision (q) for full-time equivalency, and the
5 remainder of the full-time membership for each of those pupils
6 shall be allocated to the district or intermediate district pro-
7 viding the remainder of the hours of instruction.

8 (ii) If the public school academy provides instruction for
9 less than 1/2 of the class hours specified in subdivision (q),
10 the district or intermediate district providing the remainder of
11 the hours of instruction shall receive as its prorated share of
12 the full-time equated membership for each of those pupils an
13 amount equal to 1 times the product of the hours of instruction
14 the district or intermediate district provides divided by the
15 number of hours specified in subdivision (q) for full-time equiv-
16 alency, and the remainder of the full-time membership for each of
17 those pupils shall be allocated to the public school academy.

18 (o) An individual less than 16 years of age as of September
19 1 of the current school year who is being educated in an alterna-
20 tive education program shall not be counted in membership if
21 there are also adult education participants being educated in the
22 same program or classroom.

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

25 (q) The number of class hours used to calculate full-time
26 equated memberships shall be consistent with section ~~101(3)~~
27 101. In determining full-time equated memberships for pupils who

1 are enrolled in a postsecondary institution, a pupil shall not be
2 considered to be less than a full-time equated pupil solely
3 because of the effect of his or her postsecondary enrollment,
4 including necessary travel time, on the number of class hours
5 provided by the district to the pupil.

6 (r) Full-time equated memberships for pupils in kindergarten
7 shall be determined by dividing the number of class hours sched-
8 uled and provided per year per kindergarten pupil by a number
9 equal to $1/2$ the number used for determining full-time equated
10 memberships for pupils in grades 1 to 12.

11 (s) For a district, university school, or public school
12 academy that has pupils enrolled in a grade level that was not
13 offered by the district, university school, or public school
14 academy in the immediately preceding school year, the number of
15 pupils enrolled in that grade level to be counted in membership
16 is the average of the number of those pupils enrolled and in reg-
17 ular daily attendance on the pupil membership count day and the
18 supplemental count day of the current school year, as determined
19 by the department. Membership shall be calculated by adding the
20 number of pupils registered for attendance in that grade level on
21 the pupil membership count day plus pupils received by transfer
22 and minus pupils lost as defined by rules promulgated by the
23 superintendent, and as corrected by subsequent department audit,
24 plus the final audited count from the supplemental count day for
25 the current school year, and dividing that sum by 2.

26 (t) A pupil enrolled in a cooperative education program may
27 be counted in membership in the pupil's district of residence

1 with the written approval of all parties to the cooperative
2 agreement.

3 (u) If, as a result of a disciplinary action, a district
4 determines through the district's alternative or disciplinary
5 education program that the best instructional placement for a
6 pupil is in the pupil's home, if that placement is authorized in
7 writing by the district superintendent and district alternative
8 or disciplinary education supervisor, and if the district pro-
9 vides appropriate instruction as described in this subdivision to
10 the pupil at the pupil's home, the district may count the pupil
11 in membership on a pro rata basis, with the proration based on
12 the number of hours of instruction the district actually provides
13 to the pupil divided by the number of hours specified in
14 subdivision (q) for full-time equivalency. For the purposes of
15 this subdivision, a district shall be considered to be providing
16 appropriate instruction if all of the following are met:

17 (i) The district provides at least 2 nonconsecutive hours of
18 instruction per week to the pupil at the pupil's home under the
19 supervision of a certificated teacher.

20 (ii) The district provides instructional materials,
21 resources, and supplies, except computers, that are comparable to
22 those otherwise provided in the district's alternative education
23 program.

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

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

1 (v) A pupil enrolled in an alternative or disciplinary
2 education program described in section 25 shall be counted in
3 membership in the district or public school academy that expelled
4 the pupil.

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

12 (x) For ~~1999-2000, for a public school academy that has~~
13 ~~been in operation for at least 2 years and that suspended opera-~~
14 ~~tions for at least 1 semester and is resuming operations, member-~~
15 ~~ship is the sum of the product of .75 times the number of~~
16 ~~full-time equated pupils in grades K to 12 actually enrolled and~~
17 ~~in regular daily attendance on the first pupil membership count~~
18 ~~day or supplemental count day, whichever is first, occurring~~
19 ~~after operations resume, plus the product of .25 times the final~~
20 ~~audited count from the most recent pupil membership count day or~~
21 ~~supplemental count day that occurred before suspending opera-~~
22 ~~tions, as determined by the superintendent. Beginning in~~
23 ~~2000-2001, for a public school academy that has been in opera-~~
24 ~~tion for at least 2 years and that suspended operations for at~~
25 ~~least 1 semester and is resuming operations, membership is the~~
26 ~~sum of the product of .8 times the number of full-time equated~~
27 ~~pupils in grades K to 12 actually enrolled and in regular daily~~

1 attendance on the first pupil membership count day or
2 supplemental count day, whichever is first, occurring after oper-
3 ations resume, plus the product of .2 times the final audited
4 count from the most recent pupil membership count day or supple-
5 mental count day that occurred before suspending operations, as
6 determined by the superintendent.

7 (y) For 2000-2001 only, if a district's membership for a
8 ~~particular~~ THAT fiscal year, as otherwise calculated under this
9 subsection, would be less than 1,550 pupils, the district's mem-
10 bership for that fiscal year shall be considered to be the
11 greater of the following:

12 (i) The average of the district's membership for the
13 3-fiscal-year period ending with that fiscal year, calculated by
14 adding the district's actual membership for that fiscal year, as
15 otherwise calculated under this subsection, plus the district's
16 membership for each of the 2 immediately preceding fiscal years,
17 and dividing the sum of those 3 membership figures by 3.

18 (ii) The district's actual membership as otherwise calcu-
19 lated under this subsection.

20 (5) "Public school academy" means a public school academy or
21 strict discipline academy operating under the revised school
22 code.

23 (6) "Pupil" means a person in membership in a public
24 school. A district must have the approval of the pupil's dis-
25 trict of residence to count the pupil in membership, except
26 approval by the pupil's district of residence shall not be
27 required for any of the following:

1 (a) A nonpublic part-time pupil enrolled in grades 1 to 12
2 in accordance with section 166b.

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

5 (c) A pupil enrolled in a public school academy or univer-
6 sity school.

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

12 (e) A pupil enrolled in a district other than the pupil's
13 district of residence but within the same intermediate district
14 if the educating district enrolls nonresident pupils in accord-
15 ance with section 105.

16 (f) A pupil enrolled in a district other than the pupil's
17 district of residence if the pupil has been continuously enrolled
18 in the educating district since a school year in which the pupil
19 enrolled in the educating district under section 105 or 105c and
20 in which the educating district enrolled nonresident pupils in
21 accordance with section 105 or 105c.

22 (g) A ~~nonresident~~ pupil who has made an official written
23 complaint or whose parent or legal guardian has made an official
24 written complaint to law enforcement officials and to school
25 officials of the pupil's district of residence that the pupil has
26 been the victim of a criminal sexual assault or other serious
27 assault, if the official complaint either indicates that the

1 assault occurred at school or that the assault was committed by 1
2 or more other pupils enrolled in the school the ~~nonresident~~
3 pupil would otherwise attend in the district of residence or by
4 an employee of the district of residence. A person who inten-
5 tionally makes a false report of a crime to law enforcement offi-
6 cials for the purposes of this subdivision is subject to section
7 411a of the Michigan penal code, 1931 PA 328, MCL 750.411a, which
8 provides criminal penalties for that conduct. As used in this
9 subdivision:

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

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

19 (h) A pupil enrolled in a district located in a contiguous
20 intermediate district, as described in section 105c, if the edu-
21 cating district enrolls those nonresident pupils in accordance
22 with section 105c.

23 (i) A pupil whose district of residence changed after the
24 pupil membership count day and before the supplemental count day
25 and who continues to be enrolled on the supplemental count day as
26 a nonresident in the district in which he or she was enrolled as

1 a resident on the pupil membership count day of the same school
2 year.

3 (j) A pupil enrolled in an alternative education program
4 operated by a district other than his or her district of resi-
5 dence who meets 1 or more of the following:

6 (i) The pupil has been suspended or expelled from his or her
7 district of residence for any reason, including, but not limited
8 to, a suspension or expulsion under section 1310, 1311, or 1311a
9 of the revised school code, MCL 380.1310, 380.1311, and
10 380.1311a.

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

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

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

14 (k) A pupil enrolled in the Michigan virtual high school,
15 for the pupil's enrollment in the Michigan virtual high school.

16 However, if a district that is not a first class district
17 educates pupils who reside in a first class district and if the
18 primary instructional site for those pupils is located within the
19 boundaries of the first class district, the educating district
20 must have the approval of the first class district to count those
21 pupils in membership. As used in this subsection, "first class
22 district" means a district organized as a school district of the
23 first class under the revised school code.

24 (7) "Pupil membership count day" of a district or intermedi-
25 ate district means:

26 (a) Except as provided in subdivision (b), the fourth
27 Wednesday in September each school year.

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

(i) Fourth Wednesday in July.

(ii) Fourth Wednesday in September.

(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 sup-

plemental count day, as applicable. 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 sup-

plemental count day, except for a pupil who has been excused by

the district, shall not be counted as 1.0 full-time equated

membership. In addition, 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 counted as 1.0

full-time equated membership. Pupils not counted as 1.0

full-time equated membership due to an absence from a class shall

be 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 or

1 legally qualified substitute teacher are together and instruction
2 is taking place.

3 (9) "Rule" means a rule promulgated pursuant to the adminis-
4 trative procedures act of 1969, 1969 PA 306, MCL 24.201 to
5 24.328.

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

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

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

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

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

17 (15) "Tuition pupil" means a pupil of school age attending
18 school in a district other than the pupil's district of residence
19 for whom tuition may be charged. Tuition pupil does not include
20 a pupil who is a special education pupil or a pupil described in
21 subsection (6)(d) to (k). A pupil's district of residence shall
22 not require a high school tuition pupil, as provided under sec-
23 tion 111, to attend another school district after the pupil has
24 been assigned to a school district.

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

1 (17) "Taxable value" means the taxable value of property as
2 determined under section 27a of the general property tax act,
3 1893 PA 206, MCL 211.27a.

4 (18) "Total state aid" or "total state school aid" means the
5 total combined amount of all funds due to a district, intermedi-
6 ate district, or other entity under all of the provisions of this
7 act.

8 (19) "University school" means an instructional program
9 operated by a public university under section 23 that meets the
10 requirements of section 23.