

# HOUSE BILL No. 6377

August 30, 2006, Introduced by Reps. Mortimer, Emmons, Moore, Farhat and Nitz and referred to the Committee on Higher Education and Career Preparation.

A bill to amend 1979 PA 94, entitled  
"The state school aid act of 1979,"  
by amending section 107 (MCL 388.1707), as amended by 2005 PA 155.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 107. (1) From the appropriation in section 11, there is  
2 allocated an amount not to exceed \$21,000,000.00 for 2005-2006 for  
3 adult education programs authorized under this section.

4           (2) To be eligible to be a participant funded under this  
5 section, a person shall be enrolled in an adult basic education  
6 program, an adult English as a second language program, a general  
7 educational development (G.E.D.) test preparation program, a job or  
8 employment related program, or a high school completion program,

1 that meets the requirements of this section, and shall meet either  
2 of the following, as applicable:

3 (a) If the individual has obtained a high school diploma or a  
4 general educational development (G.E.D.) certificate, the  
5 individual meets 1 of the following:

6 (i) Is less than 20 years of age on September 1 of the school  
7 year and is enrolled in the state technical institute and  
8 rehabilitation center.

9 (ii) Is less than 20 years of age on September 1 of the school  
10 year, is not attending an institution of higher education, and is  
11 enrolled in a job or employment-related program through a referral  
12 by an employer.

13 (iii) Is enrolled in an English as a second language program.

14 (iv) Is enrolled in a high school completion program.

15 (b) If the individual has not obtained a high school diploma  
16 or G.E.D. certificate, the individual meets 1 of the following:

17 (i) Is at least 20 years of age on September 1 of the school  
18 year.

19 (ii) Is at least 16 years of age on September 1 of the school  
20 year, has been permanently expelled from school under section  
21 1311(2) or 1311a of the revised school code, MCL 380.1311 and  
22 380.1311a, and has no appropriate alternative education program  
23 available through his or her district of residence.

24 (3) Except as otherwise provided in subsection (4), the amount  
25 allocated under subsection (1) shall be distributed as follows:

26 (a) For districts and consortia that received payments for  
27 2003-2004 under this section, the amount allocated to each for

1 2005-2006 shall be based on the number of participants served by  
2 the district or consortium for 2005-2006, using the amount  
3 allocated per full-time equated participant under subsection (5),  
4 up to a maximum total allocation under this section in an amount  
5 equal to the amount the district or consortium received for 2003-  
6 2004 under this section before any reallocations made for 2003-2004  
7 under subsection (4).

8 (b) A district or consortium that received funding in 2003-  
9 2004 under this section may operate independently of a consortium  
10 or join or form a consortium for 2005-2006. In addition, a district  
11 that had a declaration of financial emergency in place under the  
12 local government fiscal responsibility act, 1990 PA 72, MCL  
13 141.1201 to 141.1291, and for which that declaration was revoked  
14 during 2005 may operate a program under this section independently  
15 of a consortium or may join or form a consortium to operate a  
16 program under this section. The allocation for 2005-2006 to the  
17 district or the newly formed consortium under this subsection shall  
18 be determined by the department ~~of labor and economic growth~~ and  
19 shall be based on the proportion of the amounts that are  
20 attributable to the district or consortium that received funding in  
21 2003-2004 or, for a district for which a declaration of financial  
22 emergency was revoked during 2005, based on the amount the district  
23 received under this section using a 3-year average of the 3 most  
24 recent fiscal years the district received funding under this  
25 section. A district or consortium described in this subdivision  
26 shall notify the department ~~of labor and economic growth~~ of its  
27 intention with regard to 2005-2006 by October 1, 2005.

1           (4) A district that operated an adult education program in  
2 2004-2005 and does not intend to operate a program in 2005-2006  
3 shall notify the department ~~of labor and economic growth~~ by  
4 October 1, 2005 of its intention. The funds intended to be  
5 allocated under this section to a district that does not operate a  
6 program in 2005-2006 and the unspent funds originally allocated  
7 under this section to a district or consortium that subsequently  
8 operates a program at less than the level of funding allocated  
9 under subsection (3) shall instead be proportionately reallocated  
10 to the other districts described in subsection (3)(a) that are  
11 operating an adult education program in 2005-2006 under this  
12 section.

13           (5) The amount allocated under this section per full-time  
14 equated participant is \$2,850.00 for a 450-hour program. The amount  
15 shall be proportionately reduced for a program offering less than  
16 450 hours of instruction.

17           (6) An adult basic education program or an adult English as a  
18 second language program operated on a year-round or school year  
19 basis may be funded under this section, subject to all of the  
20 following:

21           (a) The program enrolls adults who are determined by an  
22 appropriate assessment to be below ninth grade level in reading or  
23 mathematics, or both, or to lack basic English proficiency.

24           (b) The program tests individuals for eligibility under  
25 subdivision (a) before enrollment and tests participants to  
26 determine progress after every 90 hours of attendance, using  
27 assessment instruments approved by the department. ~~of labor and~~

1 ~~economic growth.~~

2 (c) A participant in an adult basic education program is  
3 eligible for reimbursement until 1 of the following occurs:

4 (i) The participant's reading and mathematics proficiency are  
5 assessed at or above the ninth grade level.

6 (ii) The participant fails to show progress on 2 successive  
7 assessments after having completed at least 450 hours of  
8 instruction.

9 (d) A funding recipient enrolling a participant in an English  
10 as a second language program is eligible for funding according to  
11 subsection (10) until the participant meets 1 of the following:

12 (i) The participant is assessed as having attained basic  
13 English proficiency.

14 (ii) The participant fails to show progress on 2 successive  
15 assessments after having completed at least 450 hours of  
16 instruction. The department ~~of labor and economic growth~~ shall  
17 provide information to a funding recipient regarding appropriate  
18 assessment instruments for this program.

19 (7) A general educational development (G.E.D.) test  
20 preparation program operated on a year-round or school year basis  
21 may be funded under this section, subject to all of the following:

22 (a) The program enrolls adults who do not have a high school  
23 diploma.

24 (b) The program shall administer a G.E.D. pre-test approved by  
25 the department ~~of labor and economic growth~~ before enrolling an  
26 individual to determine the individual's potential for success on  
27 the G.E.D. test, and shall administer other tests after every 90

1 hours of attendance to determine a participant's readiness to take  
2 the G.E.D. test.

3 (c) A funding recipient shall receive funding according to  
4 subsection (10) for a participant, and a participant may be  
5 enrolled in the program until 1 of the following occurs:

6 (i) The participant passes the G.E.D. test.

7 (ii) The participant fails to show progress on 2 successive  
8 tests used to determine readiness to take the G.E.D. test after  
9 having completed at least 450 hours of instruction.

10 (8) A high school completion program operated on a year-round  
11 or school year basis may be funded under this section, subject to  
12 all of the following:

13 (a) The program enrolls adults who do not have a high school  
14 diploma.

15 (b) A funding recipient shall receive funding according to  
16 subsection (10) for a participant in a course offered under this  
17 subsection until 1 of the following occurs:

18 (i) The participant passes the course and earns a high school  
19 diploma.

20 (ii) The participant fails to earn credit in 2 successive  
21 semesters or terms in which the participant is enrolled after  
22 having completed at least 900 hours of instruction.

23 (9) A job or employment-related adult education program  
24 operated on a year-round or school year basis may be funded under  
25 this section, subject to all of the following:

26 (a) The program enrolls adults referred by their employer who  
27 are less than 20 years of age, have a high school diploma, are

1 determined to be in need of remedial mathematics or communication  
2 arts skills and are not attending an institution of higher  
3 education.

4 (b) An individual may be enrolled in this program and the  
5 grant recipient shall receive funding according to subsection (10)  
6 until 1 of the following occurs:

7 (i) The individual achieves the requisite skills as determined  
8 by appropriate assessment instruments administered at least after  
9 every 90 hours of attendance.

10 (ii) The individual fails to show progress on 2 successive  
11 assessments after having completed at least 450 hours of  
12 instruction. The department ~~of labor and economic growth~~ shall  
13 provide information to a funding recipient regarding appropriate  
14 assessment instruments for this program.

15 (10) A funding recipient shall receive payments under this  
16 section in accordance with the following:

17 (a) Ninety percent for enrollment of eligible participants.

18 (b) Ten percent for completion of the adult basic education  
19 objectives by achieving an increase of at least 1 grade level of  
20 proficiency in reading or mathematics; for achieving basic English  
21 proficiency; for passage of the G.E.D. test; for passage of a  
22 course required for a participant to attain a high school diploma;  
23 or for completion of the course and demonstrated proficiency in the  
24 academic skills to be learned in the course, as applicable.

25 (11) As used in this section, "participant" means the sum of  
26 the number of full-time equated individuals enrolled in and  
27 attending a department-approved adult education program under this

1 section, using quarterly participant count days on the schedule  
2 described in section 6(7)(b).

3 (12) A person who is not eligible to be a participant funded  
4 under this section may receive adult education services upon the  
5 payment of tuition. In addition, a person who is not eligible to be  
6 served in a program under this section due to the program  
7 limitations specified in subsection (6), (7), (8), or (9) may  
8 continue to receive adult education services in that program upon  
9 the payment of tuition. The tuition level shall be determined by  
10 the local or intermediate district conducting the program.

11 (13) An individual who is an inmate in a state correctional  
12 facility shall not be counted as a participant under this section.

13 (14) A district shall not commingle money received under this  
14 section or from another source for adult education purposes with  
15 any other funds of the district. A district receiving adult  
16 education funds shall establish a separate ledger account for those  
17 funds. This subsection does not prohibit a district from using  
18 general funds of the district to support an adult education or  
19 community education program.

20 (15) A district or intermediate district receiving funds under  
21 this section may establish a sliding scale of tuition rates based  
22 upon a participant's family income. A district or intermediate  
23 district may charge a participant tuition to receive adult  
24 education services under this section from that sliding scale of  
25 tuition rates on a uniform basis. The amount of tuition charged per  
26 participant shall not exceed the actual operating cost per  
27 participant minus any funds received under this section per



1 participant. A district or intermediate district may not charge a  
2 participant tuition under this section if the participant's income  
3 is at or below 200% of the federal poverty guidelines published by  
4 the United States department of health and human services.

5 Enacting section 1. This amendatory act is intended to  
6 transfer back to the department of education certain powers,  
7 duties, and functions that were transferred to the former  
8 department of career development by Executive Reorganization Order  
9 No. 1999-7, MCL 388.995.