

SUBSTITUTE FOR
SENATE BILL NO. 691

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending section 25 (MCL 388.1625), as amended by 2005 PA 155.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 25. (1) If a pupil is enrolled in an alternative
2 education program operated by an intermediate district or district
3 for the purpose of educating pupils who have been expelled from
4 school or referred from the court, ~~or is enrolled in a strict~~
5 ~~discipline academy for pupils who have been expelled or suspended~~
6 ~~from school as described in section 1311g of the revised school~~
7 ~~code, MCL 380.1311g,~~ and if the pupil is counted in membership in
8 another intermediate district or district, the intermediate
9 district or district operating the **ALTERNATIVE EDUCATION** program ~~or~~
10 ~~the strict discipline academy~~ shall report the enrollment

1 information to the department and to the district in which the
2 pupil is counted in membership, and the **INTERMEDIATE DISTRICT OR**
3 district in which the pupil is counted in membership shall pay to
4 the intermediate district or district operating the **ALTERNATIVE**
5 **EDUCATION** program ~~or to the strict discipline academy~~ an amount
6 equal to the amount of the foundation allowance or per pupil
7 payment as calculated under section 20 for the **INTERMEDIATE**
8 **DISTRICT OR** district in which the pupil is counted in membership,
9 prorated according to the number of days of the school year ending
10 in the fiscal year the pupil is educated in the alternative
11 education program ~~or strict discipline academy~~ compared to the
12 number of days of the school year ending in the fiscal year the
13 pupil was actually enrolled in the **INTERMEDIATE DISTRICT OR**
14 district in which the pupil is counted in membership. The
15 foundation allowance or per pupil payment shall be adjusted by the
16 pupil's full-time equated status as affected by the membership
17 definition under section 6(4). If ~~a~~ **AN INTERMEDIATE DISTRICT OR**
18 district does not make the payment required under this section
19 within 30 days after receipt of the report, the department shall
20 calculate the amount owed, shall deduct that amount from the
21 remaining state school aid payments to the **INTERMEDIATE DISTRICT OR**
22 district for that fiscal year under this act, and shall pay that
23 amount to the intermediate district or district operating the
24 alternative education program. ~~or to the strict discipline academy.~~
25 The **INTERMEDIATE DISTRICT OR** district in which the pupil is counted
26 in membership and the intermediate district or district operating
27 the alternative education program ~~or strict discipline academy~~

1 shall provide to the department all information the department
2 requires to enforce this section.

3 (2) IF A PUPIL IS ENROLLED IN A STRICT DISCIPLINE ACADEMY FOR
4 PUPILS WHO HAVE BEEN EXPELLED OR SUSPENDED FROM SCHOOL AS DESCRIBED
5 IN SECTION 1311G OF THE REVISED SCHOOL CODE, MCL 380.1311G, AND IF
6 THE PUPIL IS COUNTED IN MEMBERSHIP IN ANOTHER DISTRICT OR
7 INTERMEDIATE DISTRICT, THE STRICT DISCIPLINE ACADEMY SHALL REPORT
8 THE ENROLLMENT INFORMATION TO THE DEPARTMENT AND TO THE DISTRICT OR
9 INTERMEDIATE DISTRICT IN WHICH THE PUPIL IS COUNTED IN MEMBERSHIP.
10 UPON RECEIPT OF ENROLLMENT INFORMATION UNDER THIS SUBSECTION
11 INDICATING THAT A PUPIL HAS ENROLLED IN A STRICT DISCIPLINE ACADEMY
12 AS DESCRIBED IN THIS SUBSECTION, THE DEPARTMENT SHALL DO BOTH OF
13 THE FOLLOWING:

14 (A) ADJUST THE MEMBERSHIP CALCULATION FOR THE DISTRICT OR
15 INTERMEDIATE DISTRICT IN WHICH THE PUPIL WAS COUNTED IN MEMBERSHIP
16 SO THAT THE DISTRICT'S OR INTERMEDIATE DISTRICT'S MEMBERSHIP IS
17 PRORATED TO ALLOW THE DISTRICT OR INTERMEDIATE DISTRICT TO RECEIVE
18 THE FOLLOWING AMOUNTS:

19 (i) FOR EACH SCHOOL DAY IN WHICH THE PUPIL WAS ENROLLED IN THE
20 DISTRICT, AN AMOUNT EQUAL TO 1/180 OF THE FOUNDATION ALLOWANCE OR
21 PER-PUPIL PAYMENT AS CALCULATED UNDER SECTION 20 FOR THE DISTRICT
22 OR INTERMEDIATE DISTRICT. THE FOUNDATION ALLOWANCE OR PER-PUPIL
23 PAYMENT SHALL BE ADJUSTED BY THE PUPIL'S FULL-TIME EQUATED STATUS
24 AS AFFECTED BY THE MEMBERSHIP DEFINITION UNDER SECTION 6(4).

25 (ii) FOR EACH SCHOOL DAY IN WHICH THE PUPIL WAS ENROLLED IN THE
26 DISTRICT OR INTERMEDIATE DISTRICT, AN AMOUNT EQUAL TO 1/180 OF ANY
27 CATEGORICAL AID UNDER THIS ACT THAT IS CALCULATED ON A PER-PUPIL

1 BASIS.

2 (B) INCLUDE ALL OF THE FOLLOWING IN THE CALCULATION OF STATE
3 SCHOOL AID FOR THE STRICT DISCIPLINE ACADEMY, AS APPLICABLE:

4 (i) FOR EACH SCHOOL DAY IN WHICH THE PUPIL IS ENROLLED IN THE
5 STRICT DISCIPLINE ACADEMY, AN AMOUNT EQUAL TO 1/180 OF THE PER-
6 PUPIL PAYMENT AS CALCULATED UNDER SECTION 20 FOR THE STRICT
7 DISCIPLINE ACADEMY. THE PER-PUPIL PAYMENT SHALL BE ADJUSTED BY THE
8 PUPIL'S FULL-TIME EQUATED STATUS AS AFFECTED BY THE MEMBERSHIP
9 DEFINITION UNDER SECTION 6(4).

10 (ii) FOR EACH SCHOOL DAY IN WHICH THE PUPIL IS ENROLLED IN THE
11 STRICT DISCIPLINE ACADEMY, AN AMOUNT EQUAL TO 1/180 OF ANY
12 CATEGORICAL AID UNDER THIS ACT THAT IS CALCULATED ON A PER-PUPIL
13 BASIS AND THAT WOULD OTHERWISE BE PAID TO THE STRICT DISCIPLINE
14 ACADEMY IF THE PUPIL HAD BEEN COUNTED IN MEMBERSHIP IN THE STRICT
15 DISCIPLINE ACADEMY.

16 (3) THE CHANGES IN CALCULATION OF STATE SCHOOL AID REQUIRED
17 UNDER SUBSECTION (2) SHALL TAKE EFFECT AS OF THE DATE THAT THE
18 PUPIL ENROLLS IN THE STRICT DISCIPLINE ACADEMY, AND THE DEPARTMENT
19 SHALL BASE ALL SUBSEQUENT PAYMENTS UNDER THIS ACT FOR THE FISCAL
20 YEAR TO THE AFFECTED DISTRICTS OR INTERMEDIATE DISTRICTS AND FOR
21 THE STRICT DISCIPLINE ACADEMY, AS APPLICABLE, ON THIS RECALCULATION
22 OF STATE SCHOOL AID.

23 (4) IF A PUPIL ENROLLS IN A STRICT DISCIPLINE ACADEMY AS
24 DESCRIBED IN SUBSECTION (2), IF ADJUSTMENTS ARE MADE IN
25 CALCULATIONS PURSUANT TO SUBSECTION (2) DUE TO THAT ENROLLMENT, AND
26 IF THE PUPIL SUBSEQUENTLY CEASES TO BE ENROLLED IN THE STRICT
27 DISCIPLINE ACADEMY, THE STRICT DISCIPLINE ACADEMY SHALL NOTIFY THE

1 DEPARTMENT OF THE LAST DATE OF THE PUPIL'S ENROLLMENT IN THE STRICT
2 DISCIPLINE ACADEMY AND THE NUMBER OF DAYS THE PUPIL WAS ENROLLED IN
3 THE STRICT DISCIPLINE ACADEMY.

4 (5) IF A PUPIL ENROLLS IN A STRICT DISCIPLINE ACADEMY AS
5 DESCRIBED IN SUBSECTION (2), THE DISTRICT OR INTERMEDIATE DISTRICT
6 IN WHICH THE PUPIL IS COUNTED IN MEMBERSHIP AND THE STRICT
7 DISCIPLINE ACADEMY SHALL PROVIDE TO THE DEPARTMENT ALL INFORMATION
8 THE DEPARTMENT REQUIRES TO COMPLY WITH THIS SECTION.

9 (6) THE CHANGES IN THE REQUIREMENTS UNDER THIS SECTION THAT
10 ARE CONTAINED IN SUBSECTIONS (2) TO (5) APPLY BEGINNING WITH
11 PAYMENTS MADE FOR THE 2011-2012 FISCAL YEAR.