

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 149**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 6, 11, 17c, 18, 23a, 24c, 31a, 31j, 32d, 35a,
35b, 39a, 99h, 99u, 101, 265, 297c, 297h, and 297i (MCL 388.1606,
388.1611, 388.1617c, 388.1618, 388.1623a, 388.1624c, 388.1631a,
388.1631j, 388.1632d, 388.1635a, 388.1635b, 388.1639a, 388.1699h,
388.1699u, 388.1701, 388.1865, 388.1897c, 388.1897h, and
388.1897i), section 6 as amended by 2018 PA 266, sections 11, 18,
24c, 31a, 31j, 32d, 35a, 39a, 99h, 99u, and 265 as amended and
sections 17c and 35b as added by 2018 PA 265, sections 23a and 101
as amended by 2016 PA 249, and sections 297c, 297h, and 297i as
added by 2018 PA 227, and by adding sections 31n, 61f, 61g, 61h,

74a, 99w, 99x, 99y, and 104f.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) "Center program" means a program operated by a
2 district or by an intermediate district for special education
3 pupils from several districts in programs for pupils with autism
4 spectrum disorder, pupils with severe cognitive impairment, pupils
5 with moderate cognitive impairment, pupils with severe multiple
6 impairments, pupils with hearing impairment, pupils with visual
7 impairment, and pupils with physical impairment or other health
8 impairment. Programs for pupils with emotional impairment housed in
9 buildings that do not serve regular education pupils also qualify.
10 Unless otherwise approved by the department, a center program
11 either shall serve all constituent districts within an intermediate
12 district or shall serve several districts with less than 50% of the
13 pupils residing in the operating district. In addition, special
14 education center program pupils placed part-time in noncenter
15 programs to comply with the least restrictive environment
16 provisions of section ~~612 of part B~~ **1412** of the individuals with
17 disabilities education act, 20 USC 1412, may be considered center
18 program pupils for pupil accounting purposes for the time scheduled
19 in either a center program or a noncenter program.

20 (2) "District and high school graduation rate" means the
21 annual completion and pupil dropout rate that is calculated by the
22 center pursuant to nationally recognized standards.

23 (3) "District and high school graduation report" means a
24 report of the number of pupils, excluding adult education
25 participants, in the district for the immediately preceding school

1 year, adjusted for those pupils who have transferred into or out of
2 the district or high school, who leave high school with a diploma
3 or other credential of equal status.

4 (4) "Membership", except as otherwise provided in this
5 article, means for a district, a public school academy, or an
6 intermediate district the sum of the product of .90 times the
7 number of full-time equated pupils in grades K to 12 actually
8 enrolled and in regular daily attendance on the pupil membership
9 count day for the current school year, plus the product of .10
10 times the final audited count from the supplemental count day for
11 the immediately preceding school year. A district's, public school
12 academy's, or intermediate district's membership shall be adjusted
13 as provided under section 25e for pupils who enroll after the pupil
14 membership count day in a strict discipline academy operating under
15 sections 1311b to 1311m of the revised school code, MCL 380.1311b
16 to 380.1311m. However, for a district that is a community district,
17 "membership" means the sum of the product of .90 times the number
18 of full-time equated pupils in grades K to 12 actually enrolled and
19 in regular daily attendance in the community district on the pupil
20 membership count day for the current school year, plus the product
21 of .10 times the sum of the final audited count from the
22 supplemental count day of pupils in grades K to 12 actually
23 enrolled and in regular daily attendance in the community district
24 for the immediately preceding school year plus the final audited
25 count from the supplemental count day of pupils in grades K to 12
26 actually enrolled and in regular daily attendance in the education
27 achievement system for the immediately preceding school year. All

1 pupil counts used in this subsection are as determined by the
2 department and calculated by adding the number of pupils registered
3 for attendance plus pupils received by transfer and minus pupils
4 lost as defined by rules promulgated by the superintendent, and as
5 corrected by a subsequent department audit. The amount of the
6 foundation allowance for a pupil in membership is determined under
7 section 20. In making the calculation of membership, all of the
8 following, as applicable, apply to determining the membership of a
9 district, a public school academy, or an intermediate district:

10 (a) Except as otherwise provided in this subsection, and
11 pursuant to subsection (6), a pupil shall be counted in membership
12 in the pupil's educating district or districts. An individual pupil
13 shall not be counted for more than a total of 1.0 full-time equated
14 membership.

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

25 (c) A special education pupil educated by the intermediate
26 district shall be counted in membership in the intermediate
27 district.

1 (d) A pupil placed by a court or state agency in an on-grounds
2 program of a juvenile detention facility, a child caring
3 institution, or a mental health institution, or a pupil funded
4 under section 53a, shall be counted in membership in the district
5 or intermediate district approved by the department to operate the
6 program.

7 (e) A pupil enrolled in the Michigan Schools for the Deaf and
8 Blind shall be counted in membership in the pupil's intermediate
9 district of residence.

10 (f) A pupil enrolled in a career and technical education
11 program supported by a millage levied over an area larger than a
12 single district or in an area vocational-technical education
13 program established pursuant to section 690 of the revised school
14 code, MCL 380.690, shall be counted only in the pupil's district of
15 residence.

16 (g) A pupil enrolled in a public school academy shall be
17 counted in membership in the public school academy.

18 (h) For the purposes of this section and section 6a, for a
19 cyber school, as defined in section 551 of the revised school code,
20 MCL 380.551, that is in compliance with section 553a of the revised
21 school code, MCL 380.553a, a pupil's participation in the cyber
22 school's educational program is considered regular daily
23 attendance, and for a district or public school academy, a pupil's
24 participation in a virtual course as defined in section 21f is
25 considered regular daily attendance. For the purposes of this
26 subdivision, for a pupil enrolled in a cyber school and utilizing
27 sequential learning, participation means that term as defined in

1 the pupil accounting manual, section 5-o-d: requirements for
2 counting pupils in membership-subsection 10.

3 (i) For a new district or public school academy beginning its
4 operation after December 31, 1994, membership for the first 2 full
5 or partial fiscal years of operation shall be determined as
6 follows:

7 (i) If operations begin before the pupil membership count day
8 for the fiscal year, membership is the average number of full-time
9 equated pupils in grades K to 12 actually enrolled and in regular
10 daily attendance on the pupil membership count day for the current
11 school year and on the supplemental count day for the current
12 school year, as determined by the department and calculated by
13 adding the number of pupils registered for attendance on the pupil
14 membership count day plus pupils received by transfer and minus
15 pupils lost as defined by rules promulgated by the superintendent,
16 and as corrected by a subsequent department audit, plus the final
17 audited count from the supplemental count day for the current
18 school year, and dividing that sum by 2.

19 (ii) If operations begin after the pupil membership count day
20 for the fiscal year and not later than the supplemental count day
21 for the fiscal year, membership is the final audited count of the
22 number of full-time equated pupils in grades K to 12 actually
23 enrolled and in regular daily attendance on the supplemental count
24 day for the current school year.

25 (j) If a district is the authorizing body for a public school
26 academy, then, in the first school year in which pupils are counted
27 in membership on the pupil membership count day in the public

1 school academy, the determination of the district's membership
2 shall exclude from the district's pupil count for the immediately
3 preceding supplemental count day any pupils who are counted in the
4 public school academy on that first pupil membership count day who
5 were also counted in the district on the immediately preceding
6 supplemental count day.

7 (k) For an extended school year program approved by the
8 superintendent, a pupil enrolled, but not scheduled to be in
9 regular daily attendance, on a pupil membership count day, shall be
10 counted in membership.

11 (l) To be counted in membership, a pupil shall meet the
12 minimum age requirement to be eligible to attend school under
13 section 1147 of the revised school code, MCL 380.1147, or shall be
14 enrolled under subsection (3) of that section, and shall be less
15 than 20 years of age on September 1 of the school year except as
16 follows:

17 (i) A special education pupil who is enrolled and receiving
18 instruction in a special education program or service approved by
19 the department, who does not have a high school diploma, and who is
20 less than 26 years of age as of September 1 of the current school
21 year shall be counted in membership.

22 (ii) A pupil who is determined by the department to meet all
23 of the following may be counted in membership:

24 (A) Is enrolled in a public school academy or an alternative
25 education high school diploma program, that is primarily focused on
26 educating pupils with extreme barriers to education, such as being
27 homeless as defined under 42 USC 11302.

1 (B) Had dropped out of school.

2 (C) Is less than 22 years of age as of September 1 of the
3 current school year.

4 (iii) If a child does not meet the minimum age requirement to
5 be eligible to attend school for that school year under section
6 1147 of the revised school code, MCL 380.1147, but will be 5 years
7 of age not later than December 1 of that school year, the district
8 may count the child in membership for that school year if the
9 parent or legal guardian has notified the district in writing that
10 he or she intends to enroll the child in kindergarten for that
11 school year.

12 (m) An individual who has achieved a high school diploma shall
13 not be counted in membership. An individual who has achieved a high
14 school equivalency certificate shall not be counted in membership
15 unless the individual is a student with a disability as defined in
16 R 340.1702 of the Michigan Administrative Code. An individual
17 participating in a job training program funded under former section
18 107a or a jobs program funded under former section 107b,
19 administered by the department of talent and economic development,
20 or participating in any successor of either of those 2 programs,
21 shall not be counted in membership.

22 (n) If a pupil counted in membership in a public school
23 academy is also educated by a district or intermediate district as
24 part of a cooperative education program, the pupil shall be counted
25 in membership only in the public school academy unless a written
26 agreement signed by all parties designates the party or parties in
27 which the pupil shall be counted in membership, and the

1 instructional time scheduled for the pupil in the district or
2 intermediate district shall be included in the full-time equated
3 membership determination under subdivision (q) and section 101.

4 However, for pupils receiving instruction in both a public school
5 academy and in a district or intermediate district but not as a
6 part of a cooperative education program, the following apply:

7 (i) If the public school academy provides instruction for at
8 least 1/2 of the class hours required under section 101, the public
9 school academy shall receive as its prorated share of the full-time
10 equated membership for each of those pupils an amount equal to 1
11 times the product of the hours of instruction the public school
12 academy provides divided by the number of hours required under
13 section 101 for full-time equivalency, and the remainder of the
14 full-time membership for each of those pupils shall be allocated to
15 the district or intermediate district providing the remainder of
16 the hours of instruction.

17 (ii) If the public school academy provides instruction for
18 less than 1/2 of the class hours required under section 101, the
19 district or intermediate district providing the remainder of the
20 hours of instruction shall receive as its prorated share of the
21 full-time equated membership for each of those pupils an amount
22 equal to 1 times the product of the hours of instruction the
23 district or intermediate district provides divided by the number of
24 hours required under section 101 for full-time equivalency, and the
25 remainder of the full-time membership for each of those pupils
26 shall be allocated to the public school academy.

27 (o) An individual less than 16 years of age as of September 1

1 of the current school year who is being educated in an alternative
2 education program shall not be counted in membership if there are
3 also adult education participants being educated in the same
4 program or classroom.

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

7 (q) The number of class hours used to calculate full-time
8 equated memberships shall be consistent with section 101. In
9 determining full-time equated memberships for pupils who are
10 enrolled in a postsecondary institution or for pupils engaged in an
11 internship or work experience under section 1279h of the revised
12 school code, MCL 380.1279h, a pupil shall not be considered to be
13 less than a full-time equated pupil solely because of the effect of
14 his or her postsecondary enrollment or engagement in the internship
15 or work experience, including necessary travel time, on the number
16 of class hours provided by the district to the pupil.

17 (r) Full-time equated memberships for pupils in kindergarten
18 shall be determined by dividing the number of instructional hours
19 scheduled and provided per year per kindergarten pupil by the same
20 number used for determining full-time equated memberships for
21 pupils in grades 1 to 12. However, to the extent allowable under
22 federal law, for a district or public school academy that provides
23 evidence satisfactory to the department that it used federal title
24 I money in the 2 immediately preceding school fiscal years to fund
25 full-time kindergarten, full-time equated memberships for pupils in
26 kindergarten shall be determined by dividing the number of class
27 hours scheduled and provided per year per kindergarten pupil by a

1 number equal to 1/2 the number used for determining full-time
2 equated memberships for pupils in grades 1 to 12. The change in the
3 counting of full-time equated memberships for pupils in
4 kindergarten that took effect for 2012-2013 is not a mandate.

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

19 (t) A pupil enrolled in a cooperative education program may be
20 counted in membership in the pupil's district of residence with the
21 written approval of all parties to the cooperative agreement.

22 (u) If, as a result of a disciplinary action, a district
23 determines through the district's alternative or disciplinary
24 education program that the best instructional placement for a pupil
25 is in the pupil's home or otherwise apart from the general school
26 population, if that placement is authorized in writing by the
27 district superintendent and district alternative or disciplinary

1 education supervisor, and if the district provides appropriate
2 instruction as described in this subdivision to the pupil at the
3 pupil's home or otherwise apart from the general school population,
4 the district may count the pupil in membership on a pro rata basis,
5 with the proration based on the number of hours of instruction the
6 district actually provides to the pupil divided by the number of
7 hours required under section 101 for full-time equivalency. For the
8 purposes of this subdivision, a district shall be considered to be
9 providing appropriate instruction if all of the following are met:

10 (i) The district provides at least 2 nonconsecutive hours of
11 instruction per week to the pupil at the pupil's home or otherwise
12 apart from the general school population under the supervision of a
13 certificated teacher.

14 (ii) The district provides instructional materials, resources,
15 and supplies that are comparable to those otherwise provided in the
16 district's alternative education program.

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

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

21 (v) If a pupil was enrolled in a public school academy on the
22 pupil membership count day, if the public school academy's contract
23 with its authorizing body is revoked or the public school academy
24 otherwise ceases to operate, and if the pupil enrolls in a district
25 within 45 days after the pupil membership count day, the department
26 shall adjust the district's pupil count for the pupil membership
27 count day to include the pupil in the count.

1 (w) For a public school academy that has been in operation for
2 at least 2 years and that suspended operations for at least 1
3 semester and is resuming operations, membership is the sum of the
4 product of .90 times the number of full-time equated pupils in
5 grades K to 12 actually enrolled and in regular daily attendance on
6 the first pupil membership count day or supplemental count day,
7 whichever is first, occurring after operations resume, plus the
8 product of .10 times the final audited count from the most recent
9 pupil membership count day or supplemental count day that occurred
10 before suspending operations, as determined by the superintendent.

11 (x) If a district's membership for a particular fiscal year,
12 as otherwise calculated under this subsection, would be less than
13 1,550 pupils and the district has 4.5 or fewer pupils per square
14 mile, as determined by the department, and if the district does not
15 receive funding under section 22d(2), the district's membership
16 shall be considered to be the membership figure calculated under
17 this subdivision. If a district educates and counts in its
18 membership pupils in grades 9 to 12 who reside in a contiguous
19 district that does not operate grades 9 to 12 and if 1 or both of
20 the affected districts request the department to use the
21 determination allowed under this sentence, the department shall
22 include the square mileage of both districts in determining the
23 number of pupils per square mile for each of the districts for the
24 purposes of this subdivision. The membership figure calculated
25 under this subdivision is the greater of the following:

26 (i) The average of the district's membership for the 3-fiscal-
27 year period ending with that fiscal year, calculated by adding the

1 district's actual membership for each of those 3 fiscal years, as
2 otherwise calculated under this subsection, and dividing the sum of
3 those 3 membership figures by 3.

4 (ii) The district's actual membership for that fiscal year as
5 otherwise calculated under this subsection.

6 (y) Full-time equated memberships for special education pupils
7 who are not enrolled in kindergarten but are enrolled in a
8 classroom program under R 340.1754 of the Michigan Administrative
9 Code shall be determined by dividing the number of class hours
10 scheduled and provided per year by 450. Full-time equated
11 memberships for special education pupils who are not enrolled in
12 kindergarten but are receiving early childhood special education
13 services under R 340.1755 or R 340.1862 of the Michigan
14 Administrative Code shall be determined by dividing the number of
15 hours of service scheduled and provided per year per-pupil by 180.

16 (z) A pupil of a district that begins its school year after
17 Labor Day who is enrolled in an intermediate district program that
18 begins before Labor Day shall not be considered to be less than a
19 full-time pupil solely due to instructional time scheduled but not
20 attended by the pupil before Labor Day.

21 (aa) For the first year in which a pupil is counted in
22 membership on the pupil membership count day in a middle college
23 program, the membership is the average of the full-time equated
24 membership on the pupil membership count day and on the
25 supplemental count day for the current school year, as determined
26 by the department. If a pupil described in this subdivision was
27 counted in membership by the operating district on the immediately

1 preceding supplemental count day, the pupil shall be excluded from
2 the district's immediately preceding supplemental count for the
3 purposes of determining the district's membership.

4 (bb) A district or public school academy that educates a pupil
5 who attends a United States Olympic Education Center may count the
6 pupil in membership regardless of whether or not the pupil is a
7 resident of this state.

8 (cc) A pupil enrolled in a district other than the pupil's
9 district of residence pursuant to section 1148(2) of the revised
10 school code, MCL 380.1148, shall be counted in the educating
11 district.

12 (dd) For a pupil enrolled in a dropout recovery program that
13 meets the requirements of section 23a, the pupil shall be counted
14 as 1/12 of a full-time equated membership for each month that the
15 district operating the program reports that the pupil was enrolled
16 in the program and was in full attendance. However, if the special
17 membership counting provisions under this subdivision and the
18 operation of the other membership counting provisions under this
19 subsection result in a pupil being counted as more than 1.0 FTE in
20 a fiscal year, the payment made for the pupil under sections 22a
21 and 22b shall not be based on more than 1.0 FTE for that pupil, and
22 any portion of an FTE for that pupil that exceeds 1.0 shall instead
23 be paid under section 25g. The district operating the program shall
24 report to the center the number of pupils who were enrolled in the
25 program and were in full attendance for a month not later than 30
26 days after the end of the month. A district shall not report a
27 pupil as being in full attendance for a month unless both of the

1 following are met:

2 (i) A personalized learning plan is in place on or before the
3 first school day of the month for the first month the pupil
4 participates in the program.

5 (ii) The pupil meets the district's definition under section
6 23a of satisfactory monthly progress for that month or, if the
7 pupil does not meet that definition of satisfactory monthly
8 progress for that month, the pupil did meet that definition of
9 satisfactory monthly progress in the immediately preceding month
10 and appropriate interventions are implemented within 10 school days
11 after it is determined that the pupil does not meet that definition
12 of satisfactory monthly progress.

13 (ee) A pupil participating in a virtual course under section
14 21f shall be counted in membership in the district enrolling the
15 pupil.

16 (ff) If a public school academy that is not in its first or
17 second year of operation closes at the end of a school year and
18 does not reopen for the next school year, the department shall
19 adjust the membership count of the district or other public school
20 academy in which a former pupil of the closed public school academy
21 enrolls and is in regular daily attendance for the next school year
22 to ensure that the district or other public school academy receives
23 the same amount of membership aid for the pupil as if the pupil
24 were counted in the district or other public school academy on the
25 supplemental count day of the preceding school year.

26 (gg) If a special education pupil is expelled under section
27 1311 or 1311a of the revised school code, MCL 380.1311 and

1 380.1311a, and is not in attendance on the pupil membership count
2 day because of the expulsion, and if the pupil remains enrolled in
3 the district and resumes regular daily attendance during that
4 school year, the district's membership shall be adjusted to count
5 the pupil in membership as if he or she had been in attendance on
6 the pupil membership count day.

7 (hh) A pupil enrolled in a community district shall be counted
8 in membership in the community district.

9 (ii) A part-time pupil enrolled in a nonpublic school in
10 grades K to 12 in accordance with section 166b shall not be counted
11 as more than 0.75 of a full-time equated membership.

12 (jj) A district that borders another state or a public school
13 academy that operates at least grades 9 to 12 and is located within
14 20 miles of a border with another state may count in membership a
15 pupil who is enrolled in a course at a college or university that
16 is located in the bordering state and within 20 miles of the border
17 with this state if all of the following are met:

18 (i) The pupil would meet the definition of an eligible student
19 under the postsecondary enrollment options act, 1996 PA 160, MCL
20 388.511 to 388.524, if the course were an eligible course under
21 that act.

22 (ii) The course in which the pupil is enrolled would meet the
23 definition of an eligible course under the postsecondary enrollment
24 options act, 1996 PA 160, MCL 388.511 to 388.524, if the course
25 were provided by an eligible postsecondary institution under that
26 act.

27 (iii) The department determines that the college or university

1 is an institution that, in the other state, fulfills a function
2 comparable to a state university or community college, as those
3 terms are defined in section 3 of the postsecondary enrollment
4 options act, 1996 PA 160, MCL 388.513, or is an independent
5 nonprofit degree-granting college or university.

6 (iv) The district or public school academy pays for a portion
7 of the pupil's tuition at the college or university in an amount
8 equal to the eligible charges that the district or public school
9 academy would pay to an eligible postsecondary institution under
10 the postsecondary enrollment options act, 1996 PA 160, MCL 388.511
11 to 388.524, as if the course were an eligible course under that
12 act.

13 (v) The district or public school academy awards high school
14 credit to a pupil who successfully completes a course as described
15 in this subdivision.

16 (kk) A pupil enrolled in a middle college program may be
17 counted for more than a total of 1.0 full-time equated membership
18 if the pupil is enrolled in more than the minimum number of
19 instructional days and hours required under section 101 and the
20 pupil is expected to complete the 5-year program with both a high
21 school diploma and at least 60 transferable college credits or is
22 expected to earn an associate's degree in fewer than 5 years.

23 (ll) If a district's or public school academy's membership for
24 a particular fiscal year, as otherwise calculated under this
25 subsection, includes pupils counted in membership who are enrolled
26 under section 166b, all of the following apply for the purposes of
27 this subdivision:

1 (i) If the district's or public school academy's membership
2 for pupils counted under section 166b equals or exceeds 5% of the
3 district's or public school academy's membership for pupils not
4 counted in membership under section 166b in the immediately
5 preceding fiscal year, then the growth in the district's or public
6 school academy's membership for pupils counted under section 166b
7 must not exceed 10%.

8 (ii) If the district's or public school academy's membership
9 for pupils counted under section 166b is less than 5% of the
10 district's or public school academy's membership for pupils not
11 counted in membership under section 166b in the immediately
12 preceding fiscal year, then the district's or public school
13 academy's membership for pupils counted under section 166b must not
14 exceed the greater of the following:

15 (A) 5% of the district's or public school academy's membership
16 for pupils not counted in membership under section 166b.

17 (B) 10% more than the district's or public school academy's
18 membership for pupils counted under section 166b in the immediately
19 preceding fiscal year.

20 (iii) If 1 or more districts consolidate or are parties to an
21 annexation, then the calculations under subdivisions (i) and (ii)
22 must be applied to the combined total membership for pupils counted
23 in those districts for the fiscal year immediately preceding the
24 consolidation or annexation.

25 (mm) ~~If~~ **BEGINNING WITH THE 2019-2020 SCHOOL YEAR, IF** a
26 district, intermediate district, or public school academy charges
27 tuition for a pupil that resided out of state in the immediately

1 preceding school year, the pupil shall not be counted in membership
2 in the district, intermediate district, or public school academy.

3 (5) "Public school academy" means that term as defined in
4 section 5 of the revised school code, MCL 380.5.

5 (6) "Pupil" means an individual in membership in a public
6 school. A district must have the approval of the pupil's district
7 of residence to count the pupil in membership, except approval by
8 the pupil's district of residence is not required for any of the
9 following:

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

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

14 (c) A pupil enrolled in a public school academy.

15 (d) A pupil enrolled in a district other than the pupil's
16 district of residence under an intermediate district schools of
17 choice pilot program as described in section 91a or former section
18 91 if the intermediate district and its constituent districts have
19 been exempted from section 105.

20 (e) A pupil enrolled in a district other than the pupil's
21 district of residence if the pupil is enrolled in accordance with
22 section 105 or 105c.

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

1 the official complaint either indicates that the assault occurred
2 at school or that the assault was committed by 1 or more other
3 pupils enrolled in the school the pupil would otherwise attend in
4 the district of residence or by an employee of the district of
5 residence. A person who intentionally makes a false report of a
6 crime to law enforcement officials for the purposes of this
7 subdivision is subject to section 411a of the Michigan penal code,
8 1931 PA 328, MCL 750.411a, which provides criminal penalties for
9 that conduct. As used in this 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 a
12 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 felony
15 violation of chapter XI of the Michigan penal code, 1931 PA 328,
16 MCL 750.81 to 750.90h, or that constitutes an assault and
17 infliction of serious or aggravated injury under section 81a of the
18 Michigan penal code, 1931 PA 328, MCL 750.81a.

19 (g) A pupil whose district of residence changed after the
20 pupil membership count day and before the supplemental count day
21 and who continues to be enrolled on the supplemental count day as a
22 nonresident in the district in which he or she was enrolled as a
23 resident on the pupil membership count day of the same school year.

24 (h) A pupil enrolled in an alternative education program
25 operated by a district other than his or her district of residence
26 who meets 1 or more of the following:

27 (i) The pupil has been suspended or expelled from his or her

1 district of residence for any reason, including, but not limited
2 to, a suspension or expulsion under section 1310, 1311, or 1311a of
3 the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

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

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

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

7 (i) A pupil enrolled in the Michigan Virtual School, for the
8 pupil's enrollment in the Michigan Virtual School.

9 (j) A pupil who is the child of a person who works at the
10 district or who is the child of a person who worked at the district
11 as of the time the pupil first enrolled in the district but who no
12 longer works at the district due to a workforce reduction. As used
13 in this subdivision, "child" includes an adopted child, stepchild,
14 or legal ward.

15 (k) An expelled pupil who has been denied reinstatement by the
16 expelling district and is reinstated by another school board under
17 section 1311 or 1311a of the revised school code, MCL 380.1311 and
18 380.1311a.

19 (l) A pupil enrolled in a district other than the pupil's
20 district of residence in a middle college program if the pupil's
21 district of residence and the enrolling district are both
22 constituent districts of the same intermediate district.

23 (m) A pupil enrolled in a district other than the pupil's
24 district of residence who attends a United States Olympic Education
25 Center.

26 (n) A pupil enrolled in a district other than the pupil's
27 district of residence pursuant to section 1148(2) of the revised

1 school code, MCL 380.1148.

2 (o) A pupil who enrolls in a district other than the pupil's
3 district of residence as a result of the pupil's school not making
4 adequate yearly progress under the no child left behind act of
5 2001, Public Law 107-110, or the every student succeeds act, Public
6 Law 114-95.

7 However, except for pupils enrolled in the youth challenge
8 program at the site at which the youth challenge program operated
9 for 2015-2016, if a district educates pupils who reside in another
10 district and if the primary instructional site for those pupils is
11 established by the educating district after 2009-2010 and is
12 located within the boundaries of that other district, the educating
13 district must have the approval of that other district to count
14 those pupils in membership.

15 (7) "Pupil membership count day" of a district or intermediate
16 district means:

17 (a) Except as provided in subdivision (b), the first Wednesday
18 in October each school year or, for a district or building in which
19 school is not in session on that Wednesday due to conditions not
20 within the control of school authorities, with the approval of the
21 superintendent, the immediately following day on which school is in
22 session in the district or building.

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

25 (i) Fourth Wednesday in July.

26 (ii) First Wednesday in October.

27 (iii) Second Wednesday in February.

1 (iv) Fourth Wednesday in April.

2 (8) "Pupils in grades K to 12 actually enrolled and in regular
3 daily attendance" means pupils in grades K to 12 in attendance and
4 receiving instruction in all classes for which they are enrolled on
5 the pupil membership count day or the supplemental count day, as
6 applicable. Except as otherwise provided in this subsection, a
7 pupil who is absent from any of the classes in which the pupil is
8 enrolled on the pupil membership count day or supplemental count
9 day and who does not attend each of those classes during the 10
10 consecutive school days immediately following the pupil membership
11 count day or supplemental count day, except for a pupil who has
12 been excused by the district, shall not be counted as 1.0 full-time
13 equated membership. A pupil who is excused from attendance on the
14 pupil membership count day or supplemental count day and who fails
15 to attend each of the classes in which the pupil is enrolled within
16 30 calendar days after the pupil membership count day or
17 supplemental count day shall not be counted as 1.0 full-time
18 equated membership. In addition, a pupil who was enrolled and in
19 attendance in a district, intermediate district, or public school
20 academy before the pupil membership count day or supplemental count
21 day of a particular year but was expelled or suspended on the pupil
22 membership count day or supplemental count day shall only be
23 counted as 1.0 full-time equated membership if the pupil resumed
24 attendance in the district, intermediate district, or public school
25 academy within 45 days after the pupil membership count day or
26 supplemental count day of that particular year. Pupils not counted
27 as 1.0 full-time equated membership due to an absence from a class

1 shall be counted as a prorated membership for the classes the pupil
2 attended. For purposes of this subsection, "class" means a period
3 of time in 1 day when pupils and a certificated teacher, a teacher
4 engaged to teach under section 1233b of the revised school code,
5 MCL 380.1233b, or an individual working under a valid substitute
6 permit, authorization, or approval issued by the department, are
7 together and instruction is taking place.

8 (9) "Rule" means a rule promulgated pursuant to the
9 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
10 24.328.

11 (10) "The revised school code" means **THE REVISED SCHOOL CODE**,
12 1976 PA 451, MCL 380.1 to 380.1852.

13 (11) "School district of the first class", "first class school
14 district", and "district of the first class" mean, for the purposes
15 of this article only, a district that had at least 40,000 pupils in
16 membership for the immediately preceding fiscal year.

17 (12) "School fiscal year" means a fiscal year that commences
18 July 1 and continues through June 30.

19 (13) "State board" means the state board of education.

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

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

26 (16) "Tuition pupil" means a pupil of school age attending
27 school in a district other than the pupil's district of residence

1 for whom tuition may be charged to the district of residence.
2 Tuition pupil does not include a pupil who is a special education
3 pupil, a pupil described in subsection (6)(c) to (o), or a pupil
4 whose parent or guardian voluntarily enrolls the pupil in a
5 district that is not the pupil's district of residence. A pupil's
6 district of residence shall not require a high school tuition
7 pupil, as provided under section 111, to attend another school
8 district after the pupil has been assigned to a school district.

9 (17) "State school aid fund" means the state school aid fund
10 established in section 11 of article IX of the state constitution
11 of 1963.

12 (18) "Taxable value" means the taxable value of property as
13 determined under section 27a of the general property tax act, 1893
14 PA 206, MCL 211.27a.

15 (19) "Textbook" means a book, electronic book, or other
16 instructional print or electronic resource that is selected and
17 approved by the governing board of a district and that contains a
18 presentation of principles of a subject, or that is a literary work
19 relevant to the study of a subject required for the use of
20 classroom pupils, or another type of course material that forms the
21 basis of classroom instruction.

22 (20) "Total state aid" or "total state school aid" means the
23 total combined amount of all funds due to a district, intermediate
24 district, or other entity under this article.

25 Sec. 11. (1) For the fiscal year ending September 30, 2018,
26 there is appropriated for the public schools of this state and
27 certain other state purposes relating to education the sum of

1 \$12,682,127,200.00 from the state school aid fund, the sum of
2 \$78,500,000.00 from the general fund, an amount not to exceed
3 \$72,000,000.00 from the community district education trust fund
4 created under section 12 of the Michigan trust fund act, 2000 PA
5 489, MCL 12.262, an amount not to exceed \$23,100,000.00 from the
6 MPSERS retirement obligation reform reserve fund, and an amount not
7 to exceed \$100.00 from the water emergency reserve fund. For the
8 fiscal year ending September 30, 2019, there is appropriated for
9 the public schools of this state and certain other state purposes
10 relating to education the sum of \$12,876,825,200.00 from the state
11 school aid fund, the sum of ~~\$60,000,000.00~~ **\$87,920,000.00** from the
12 general fund, an amount not to exceed \$72,000,000.00 from the
13 community district education trust fund created under section 12 of
14 the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not
15 to exceed \$31,900,000.00 from the MPSERS retirement obligation
16 reform reserve fund, **AN AMOUNT NOT TO EXCEED \$30,000,000.00 FROM**
17 **THE SCHOOL MENTAL HEALTH AND SUPPORT SERVICES FUND CREATED UNDER**
18 **SECTION 31M**, and an amount not to exceed \$100.00 from the water
19 emergency reserve fund. In addition, all available federal funds
20 are appropriated each fiscal year for the fiscal years ending
21 September 30, 2018 and September 30, 2019.

22 (2) The appropriations under this section shall be allocated
23 as provided in this article. Money appropriated under this section
24 from the general fund shall be expended to fund the purposes of
25 this article before the expenditure of money appropriated under
26 this section from the state school aid fund.

27 (3) Any general fund allocations under this article that are

1 not expended by the end of the state fiscal year are transferred to
2 the school aid stabilization fund created under section 11a.

3 Sec. 17c. (1) Except as otherwise provided under this article,
4 the department shall do both of the following for funds
5 appropriated under this article for grants distributed by the
6 department to districts, intermediate districts, and eligible
7 entities:

8 (a) Not later than September 1 of each fiscal year, open the
9 grant application for funds appropriated for the subsequent fiscal
10 year. The department shall also provide to districts, intermediate
11 districts, and eligible entities, and post on its publicly
12 accessible website, the grant application and award process
13 schedule and the list of state grants and contracts available in
14 the subsequent fiscal year.

15 (b) Not later than December 1 of each fiscal year, publish
16 grant awards for funds appropriated in that fiscal year.

17 (2) Information for grants awarded from funds appropriated
18 under this article must be placed on the state board agenda in
19 August of the preceding fiscal year. **HOWEVER, THIS SUBSECTION DOES**
20 **NOT APPLY TO GRANTS AWARDED, DIRECTLY OR INDIRECTLY, FROM FEDERAL**
21 **FUNDS OR FEDERAL GRANTS.**

22 Sec. 18. (1) Except as provided in another section of this
23 article, each district or other entity shall apply the money
24 received by the district or entity under this article to salaries
25 and other compensation of teachers and other employees, tuition,
26 transportation, lighting, heating, ventilation, water service, the
27 purchase of textbooks, other supplies, and any other school

1 operating expenditures defined in section 7. However, not more than
2 20% of the total amount received by a district under sections 22a
3 and 22b or received by an intermediate district under section 81
4 may be transferred by the board to either the capital projects fund
5 or to the debt retirement fund for debt service. The money shall
6 not be applied or taken for a purpose other than as provided in
7 this section. The department shall determine the reasonableness of
8 expenditures and may withhold from a recipient of funds under this
9 article the apportionment otherwise due upon a violation by the
10 recipient.

11 (2) A district or intermediate district shall adopt an annual
12 budget in a manner that complies with the uniform budgeting and
13 accounting act, 1968 PA 2, MCL 141.421 to 141.440a. Within 15 days
14 after a district board adopts its annual operating budget for the
15 following school fiscal year, or after a district board adopts a
16 subsequent revision to that budget, the district shall make all of
17 the following available through a link on its website homepage, or
18 may make the information available through a link on its
19 intermediate district's website homepage, in a form and manner
20 prescribed by the department:

21 (a) The annual operating budget and subsequent budget
22 revisions.

23 (b) Using data that have already been collected and submitted
24 to the department, a summary of district expenditures for the most
25 recent fiscal year for which they are available, expressed in the
26 following 2 visual displays:

27 (i) A chart of personnel expenditures, broken into the

1 following subcategories:

2 (A) Salaries and wages.

3 (B) Employee benefit costs, including, but not limited to,
4 medical, dental, vision, life, disability, and long-term care
5 benefits.

6 (C) Retirement benefit costs.

7 (D) All other personnel costs.

8 (ii) A chart of all district expenditures, broken into the
9 following subcategories:

10 (A) Instruction.

11 (B) Support services.

12 (C) Business and administration.

13 (D) Operations and maintenance.

14 (c) Links to all of the following:

15 (i) The current collective bargaining agreement for each
16 bargaining unit.

17 (ii) Each health care benefits plan, including, but not
18 limited to, medical, dental, vision, disability, long-term care, or
19 any other type of benefits that would constitute health care
20 services, offered to any bargaining unit or employee in the
21 district.

22 (iii) The audit report of the audit conducted under subsection
23 (4) for the most recent fiscal year for which it is available.

24 (iv) The bids required under section 5 of the public employees
25 health benefit act, 2007 PA 106, MCL 124.75.

26 (v) The district's written policy governing procurement of
27 supplies, materials, and equipment.

1 (vi) The district's written policy establishing specific
2 categories of reimbursable expenses, as described in section
3 1254(2) of the revised school code, MCL 380.1254.

4 (vii) Either the district's accounts payable check register
5 for the most recent school fiscal year or a statement of the total
6 amount of expenses incurred by board members or employees of the
7 district that were reimbursed by the district for the most recent
8 school fiscal year.

9 (d) The total salary and a description and cost of each fringe
10 benefit included in the compensation package for the superintendent
11 of the district and for each employee of the district whose salary
12 exceeds \$100,000.00.

13 (e) The annual amount spent on dues paid to associations.

14 (f) The annual amount spent on lobbying or lobbying services.
15 As used in this subdivision, "lobbying" means that term as defined
16 in section 5 of 1978 PA 472, MCL 4.415.

17 (g) Any deficit elimination plan or enhanced deficit
18 elimination plan the district was required to submit under the
19 revised school code.

20 (h) Identification of all credit cards maintained by the
21 district as district credit cards, the identity of all individuals
22 authorized to use each of those credit cards, the credit limit on
23 each credit card, and the dollar limit, if any, for each
24 individual's authorized use of the credit card.

25 (i) Costs incurred for each instance of out-of-state travel by
26 the school administrator of the district that is fully or partially
27 paid for by the district and the details of each of those instances

1 of out-of-state travel, including at least identification of each
2 individual on the trip, destination, and purpose.

3 (3) For the information required under subsection (2) (a),
4 (2) (b) (i), and (2) (c), an intermediate district shall provide the
5 same information in the same manner as required for a district
6 under subsection (2).

7 (4) For the purposes of determining the reasonableness of
8 expenditures, whether a district or intermediate district has
9 received the proper amount of funds under this article, and whether
10 a violation of this article has occurred, all of the following
11 apply:

12 (a) The department shall require that each district and
13 intermediate district have an audit of the district's or
14 intermediate district's financial and pupil accounting records
15 conducted at least annually, and at such other times as determined
16 by the department, at the expense of the district or intermediate
17 district, as applicable. The audits must be performed by a
18 certified public accountant or by the intermediate district
19 superintendent, as may be required by the department, or in the
20 case of a district of the first class by a certified public
21 accountant, the intermediate superintendent, or the auditor general
22 of the city. A district or intermediate district shall retain these
23 records for the current fiscal year and from at least the 3
24 immediately preceding fiscal years.

25 (b) If a district operates in a single building with fewer
26 than 700 full-time equated pupils, if the district has stable
27 membership, and if the error rate of the immediately preceding 2

1 pupil accounting field audits of the district is less than 2%, the
2 district may have a pupil accounting field audit conducted
3 biennially but must continue to have desk audits for each pupil
4 count. The auditor must document compliance with the audit cycle in
5 the pupil auditing manual. As used in this subdivision, "stable
6 membership" means that the district's membership for the current
7 fiscal year varies from the district's membership for the
8 immediately preceding fiscal year by less than 5%.

9 (c) A district's or intermediate district's annual financial
10 audit shall include an analysis of the financial and pupil
11 accounting data used as the basis for distribution of state school
12 aid.

13 (d) The pupil and financial accounting records and reports,
14 audits, and management letters are subject to requirements
15 established in the auditing and accounting manuals approved and
16 published by the department.

17 (e) All of the following shall be done not later than November
18 1 each year for reporting the prior fiscal year data:

19 (i) A district shall file the annual financial audit reports
20 with the intermediate district and the department.

21 (ii) The intermediate district shall file the annual financial
22 audit reports for the intermediate district with the department.

23 (iii) The intermediate district shall enter the pupil
24 membership audit reports for its constituent districts and for the
25 intermediate district, for the pupil membership count day and
26 supplemental count day, in the Michigan student data system.

27 (f) The annual financial audit reports and pupil accounting

1 procedures reports shall be available to the public in compliance
2 with the freedom of information act, 1976 PA 442, MCL 15.231 to
3 15.246.

4 (g) Not later than January 31 of each year, the department
5 shall notify the state budget director and the legislative
6 appropriations subcommittees responsible for review of the school
7 aid budget of districts and intermediate districts that have not
8 filed an annual financial audit and pupil accounting procedures
9 report required under this section for the school year ending in
10 the immediately preceding fiscal year.

11 (5) By November 1 each fiscal year, each district and
12 intermediate district shall submit to the center, in a manner
13 prescribed by the center, annual comprehensive financial data
14 consistent with the district's or intermediate district's audited
15 financial statements and consistent with accounting manuals and
16 charts of accounts approved and published by the department. For an
17 intermediate district, the report shall also contain the website
18 address where the department can access the report required under
19 section 620 of the revised school code, MCL 380.620. The department
20 shall ensure that the prescribed Michigan public school accounting
21 manual chart of accounts includes standard conventions to
22 distinguish expenditures by allowable fund function and object. The
23 functions shall include at minimum categories for instruction,
24 pupil support, instructional staff support, general administration,
25 school administration, business administration, transportation,
26 facilities operation and maintenance, facilities acquisition, and
27 debt service; and shall include object classifications of salary,

1 benefits, including categories for active employee health
2 expenditures, purchased services, supplies, capital outlay, and
3 other. Districts shall report the required level of detail
4 consistent with the manual as part of the comprehensive annual
5 financial report.

6 (6) By September 30 of each year, each district and
7 intermediate district shall file with the center the special
8 education actual cost report, known as "SE-4096", on a form and in
9 the manner prescribed by the center. An intermediate district shall
10 ~~perform~~ **CERTIFY** the audit of a district's report.

11 (7) By October 7 of each year, each district and intermediate
12 district shall file with the center the audited transportation
13 expenditure report, known as "SE-4094", on a form and in the manner
14 prescribed by the center. An intermediate district shall ~~perform~~
15 **CERTIFY** the audit of a district's report.

16 (8) The department shall review its pupil accounting and pupil
17 auditing manuals at least annually and shall periodically update
18 those manuals to reflect changes in this article.

19 (9) If a district that is a public school academy purchases
20 property using money received under this article, the public school
21 academy shall retain ownership of the property unless the public
22 school academy sells the property at fair market value.

23 (10) If a district or intermediate district does not comply
24 with subsections (4), (5), (6), (7), and (12), or if the department
25 determines that the financial data required under subsection (5)
26 are not consistent with audited financial statements, the
27 department shall withhold all state school aid due to the district

1 or intermediate district under this article, beginning with the
2 next payment due to the district or intermediate district, until
3 the district or intermediate district complies with subsections
4 (4), (5), (6), (7), and (12). If the district or intermediate
5 district does not comply with subsections (4), (5), (6), (7), and
6 (12) by the end of the fiscal year, the district or intermediate
7 district forfeits the amount withheld.

8 (11) If a district or intermediate district does not comply
9 with subsection (2), the department may withhold up to 10% of the
10 total state school aid due to the district or intermediate district
11 under this article, beginning with the next payment due to the
12 district or intermediate district, until the district or
13 intermediate district complies with subsection (2). If the district
14 or intermediate district does not comply with subsection (2) by the
15 end of the fiscal year, the district or intermediate district
16 forfeits the amount withheld.

17 (12) By November 1 of each year, if a district or intermediate
18 district offers virtual learning under section 21f, or for a school
19 of excellence that is a cyber school, as defined in section 551 of
20 the revised school code, MCL 380.551, the district or intermediate
21 district shall submit to the department a report that details the
22 per-pupil costs of operating the virtual learning by vendor type
23 and virtual learning model. The report shall include information
24 concerning the operation of virtual learning for the immediately
25 preceding school fiscal year, including information concerning
26 summer programming. Information must be collected in a form and
27 manner determined by the department and must be collected in the

1 most efficient manner possible to reduce the administrative burden
2 on reporting entities.

3 (13) By March 31 of each year, the department shall submit to
4 the house and senate appropriations subcommittees on state school
5 aid, the state budget director, and the house and senate fiscal
6 agencies a report summarizing the per-pupil costs by vendor type of
7 virtual courses available under section 21f and virtual courses
8 provided by a school of excellence that is a cyber school, as
9 defined in section 551 of the revised school code, MCL 380.551.

10 (14) As used in subsections (12) and (13), "vendor type" means
11 the following:

12 (a) Virtual courses provided by the Michigan Virtual
13 University.

14 (b) Virtual courses provided by a school of excellence that is
15 a cyber school, as defined in section 551 of the revised school
16 code, MCL 380.551.

17 (c) Virtual courses provided by third party vendors not
18 affiliated with a Michigan public school.

19 (d) Virtual courses created and offered by a district or
20 intermediate district.

21 (15) An allocation to a district or another entity under this
22 article is contingent upon the district's or entity's compliance
23 with this section.

24 (16) Beginning October 1, 2018, and annually thereafter, the
25 department shall submit to the senate and house subcommittees on
26 school aid and to the senate and house standing committees on
27 education an itemized list of allocations under this article to any

1 association or consortium consisting of associations in the
2 immediately preceding fiscal year. The report shall detail the
3 recipient or recipients, the amount allocated, and the purpose for
4 which the funds were distributed.

5 Sec. 23a. (1) A dropout recovery program operated by a
6 district qualifies for the special membership counting provisions
7 of section 6(4)(dd) and the hours and day of pupil instruction
8 exemption under section 101(12) if the dropout recovery program
9 meets all of the following:

10 (a) Enrolls only eligible pupils.

11 (b) Provides an advocate **OR TEACHER OF RECORD, OR BOTH**. An
12 advocate may serve in that role for more than 1 pupil but no more
13 than 50 pupils. An advocate **OR TEACHER OF RECORD** may be employed by
14 the district or may be provided by an education management
15 organization that is partnering with the district. Before an
16 individual is assigned to be an advocate **OR TEACHER OF RECORD** for a
17 pupil in the dropout recovery program, the district shall comply
18 with sections 1230 and 1230a of the revised school code, MCL
19 380.1230 and 380.1230a, with respect to that individual.

20 (c) Develops a written learning plan.

21 (d) Monitors the pupil's progress against the written learning
22 plan.

23 (e) Requires each pupil to make satisfactory monthly progress,
24 as defined by the district under subsection (2).

25 (f) Reports the pupil's progress results to the partner
26 district at least monthly.

27 (g) The program may be operated on or off a district school

1 campus, but may be operated using distance learning online only if
2 the program provides a computer and Internet access for each
3 eligible pupil participating in the program.

4 (h) Is operated throughout the entire calendar year.

5 (i) If the district partners with an education management
6 organization for the program, the education management organization
7 has a dropout recovery program partnership relationship with at
8 least 1 other district.

9 (2) A district operating a dropout recovery program under this
10 section shall adopt a definition of satisfactory monthly progress
11 that is consistent with the definition of that term under
12 subsection (3).

13 (3) As used in this section:

14 (a) "Advocate" means an adult available to meet in person with
15 assigned pupils, as needed, to conduct social interventions, to
16 proctor final examinations, and to provide academic and social
17 support to pupils enrolled in the district's dropout recovery
18 program.

19 (b) "Education management organization" means a private
20 provider that operates 1 or more other dropout recovery programs
21 that meet the requirements of this section in partnership with 1 or
22 more districts.

23 (c) "Eligible pupil" means a pupil who has been expelled from
24 school under the mandatory expulsion provisions in section 1311 or
25 1311a of the revised school code, MCL 380.1311 and 380.1311a, a
26 pupil who has been suspended or expelled from school under a local
27 policy, a pupil who is referred by a court, a pupil who is pregnant

1 or is a parent, a pupil who was previously a dropout, or a pupil
2 who is determined by the district to be at risk of dropping out.

3 (d) "Satisfactory monthly progress" means an amount of
4 progress that is measurable on a monthly basis and that, if
5 continued for a full 12 months, would result in the same amount of
6 academic credit being awarded to the pupil as would be awarded to a
7 general education pupil completing a full school year. Satisfactory
8 monthly progress may include a lesser required amount of progress
9 for the first 2 months a pupil participates in the program.

10 (e) "Teacher of record" means a teacher who holds a valid
11 Michigan teaching certificate; who, if applicable, is endorsed in
12 the subject area and grade of the course; and is responsible for
13 providing instruction, determining instructional methods for each
14 pupil, diagnosing learning needs, assessing pupil learning,
15 prescribing intervention strategies, reporting outcomes, and
16 evaluating the effects of instruction and support strategies. **UNTIL**
17 **FEBRUARY 1, 2020, IF THE DISTRICT PARTNERS WITH AN EDUCATION**
18 **MANAGEMENT ORGANIZATION FOR THE PROGRAM, THE TEACHER OF RECORD MAY**
19 **BE EMPLOYED BY OR CONTRACTED THROUGH THE EDUCATION MANAGEMENT**
20 **ORGANIZATION.**

21 (f) "Written learning plan" means a written plan developed in
22 conjunction with the advocate that includes the plan start and end
23 dates, courses to be taken, credit to be earned for each course,
24 teacher of record for each course, and advocate name and contact
25 information.

26 Sec. 24c. (1) From the appropriation in section 11, there is
27 allocated an amount not to exceed ~~\$1,528,400.00~~ **\$1,545,400.00** for

1 2018-2019 for payments to districts for pupils who are enrolled in
2 a nationally administered community-based education and youth
3 mentoring program, known as the youth challenge program, that is
4 administered by the department of military and veterans affairs.
5 Both of the following apply to a district receiving payments under
6 this section:

7 (a) The district shall contract with the department of
8 military and veterans affairs to ensure that all funding allocated
9 under this section is utilized by the district and the department
10 of military and veterans affairs for the youth challenge program.

11 (b) The district may retain for its administrative expenses an
12 amount not to exceed 3% of the amount of the payment the district
13 receives under this section.

14 (2) In addition to the funds allocated under subsection (1),
15 from the appropriation in section 11, there is allocated an amount
16 not to exceed \$80,000.00 for 2018-2019 to a district for pupils who
17 enrolled in the youth challenge program but dropped out before the
18 pupil membership count day. The district shall use these funds to
19 support the youth challenge program.

20 Sec. 31a. (1) From the state school aid fund money
21 appropriated in section 11, there is allocated for 2018-2019 an
22 amount not to exceed ~~\$510,207,300.00~~ **\$528,207,300.00** for payments
23 to eligible districts and eligible public school academies for the
24 purposes of ensuring that pupils are proficient in English language
25 arts by the end of grade 3, that pupils are proficient in
26 mathematics by the end of grade 8, that pupils are attending school
27 regularly, that high school graduates are career and college ready,

1 and for the purposes under subsections (7) and (8).

2 (2) For a district that has combined state and local revenue
3 per membership pupil under sections 20 and 20m that is greater than
4 the basic foundation allowance under section 20 for the current
5 fiscal year, the allocation under this section shall be an amount
6 equal to 30% of the allocation for which it would otherwise be
7 eligible under this section before any proration under subsection
8 (14).

9 (3) For a district or public school academy to be eligible to
10 receive funding under this section, other than funding under
11 subsection (7) or (8), the district or public school academy, for
12 grades K to 12, shall comply with the requirements under section
13 1280f of the revised school code, MCL 380.1280f, and shall use
14 resources to address early literacy and numeracy, and for at least
15 grades K to 12 or, if the district or public school academy does
16 not operate all of grades K to 12, for all of the grades it
17 operates, must implement a multi-tiered system of supports that is
18 an evidence-based framework that uses data-driven problem solving
19 to integrate academic and behavioral instruction and that uses
20 intervention delivered to all pupils in varying intensities based
21 on pupil needs. The multi-tiered system of supports described in
22 this subsection must provide at least all of the following
23 essential components:

24 (a) Team-based leadership.

25 (b) A tiered delivery system.

26 (c) Selection and implementation of instruction,
27 interventions, and supports.

1 (d) A comprehensive screening and assessment system.

2 (e) Continuous data-based decision making.

3 (4) Except as otherwise provided in this subsection, an
4 eligible district or eligible public school academy shall receive
5 under this section for each membership pupil in the district or
6 public school academy who is determined to be economically
7 disadvantaged, as reported to the center in the form and manner
8 prescribed by the center not later than the fifth Wednesday after
9 the pupil membership count day of the immediately preceding fiscal
10 year, an amount per pupil equal to 11.5% of the statewide weighted
11 average foundation allowance. However, a public school academy that
12 began operations as a public school academy after the pupil
13 membership count day of the immediately preceding school year shall
14 receive under this section for each membership pupil in the public
15 school academy, who is determined to be economically disadvantaged,
16 as reported to the center in the form and manner prescribed by the
17 center not later than the fifth Wednesday after the pupil
18 membership count day of the current fiscal year, an amount per
19 pupil equal to 11.5% of the statewide weighted average foundation
20 allowance.

21 (5) Except as otherwise provided in this section, a district
22 or public school academy receiving funding under this section shall
23 use that money only to provide instructional programs and direct
24 noninstructional services, including, but not limited to, medical,
25 mental health, or counseling services, for at-risk pupils; for
26 school health clinics; and for the purposes of subsection (6), (7),
27 or (8). In addition, a district that is a school district of the

1 first class or a district or public school academy in which at
2 least 50% of the pupils in membership were determined to be
3 economically disadvantaged in the immediately preceding state
4 fiscal year, as determined and reported as described in subsection
5 (4), may use not more than 20% of the funds it receives under this
6 section for school security. A district or public school academy
7 shall not use any of that money for administrative costs. The
8 instruction or direct noninstructional services provided under this
9 section may be conducted before or after regular school hours or by
10 adding extra school days to the school year. Funds spent on school
11 security under this subsection must be counted toward required
12 spending under subsection ~~(16)(b)~~. **(16)(C)**.

13 (6) A district or public school academy that receives funds
14 under this section and that operates a school breakfast program
15 under section 1272a of the revised school code, MCL 380.1272a,
16 shall use from the funds received under this section an amount, not
17 to exceed \$10.00 per pupil for whom the district or public school
18 academy receives funds under this section, necessary to pay for
19 costs associated with the operation of the school breakfast
20 program.

21 (7) From the funds allocated under subsection (1), there is
22 allocated for 2018-2019 an amount not to exceed \$6,057,300.00 to
23 support primary health care services provided to children and
24 adolescents up to age 21. These funds shall be expended in a form
25 and manner determined jointly by the department and the department
26 of health and human services. If any funds allocated under this
27 subsection are not used for the purposes of this subsection for the

1 fiscal year in which they are allocated, those unused funds shall
2 be used that fiscal year to avoid or minimize any proration that
3 would otherwise be required under subsection (14) for that fiscal
4 year.

5 (8) From the funds allocated under subsection (1), there is
6 allocated for 2018-2019 an amount not to exceed \$5,150,000.00 for
7 the state portion of the hearing and vision screenings as described
8 in section 9301 of the public health code, 1978 PA 368, MCL
9 333.9301. A local public health department shall pay at least 50%
10 of the total cost of the screenings. The frequency of the
11 screenings shall be as required under R 325.13091 to R 325.13096
12 and R 325.3271 to R 325.3276 of the Michigan Administrative Code.
13 Funds shall be awarded in a form and manner approved jointly by the
14 department and the department of health and human services.
15 Notwithstanding section 17b, payments to eligible entities under
16 this subsection shall be paid on a schedule determined by the
17 department.

18 (9) Each district or public school academy receiving funds
19 under this section shall submit to the department by July 15 of
20 each fiscal year a report, in the form and manner prescribed by the
21 department, that includes a brief description of each program
22 conducted or services performed by the district or public school
23 academy using funds under this section, the amount of funds under
24 this section allocated to each of those programs or services, the
25 total number of at-risk pupils served by each of those programs or
26 services, and the data necessary for the department and the
27 department of health and human services to verify matching funds

1 for the temporary assistance for needy families program. In
2 prescribing the form and manner of the report, the department shall
3 ensure that districts are allowed to expend funds received under
4 this section on any activities that are permissible under this
5 section. If a district or public school academy does not comply
6 with this subsection, the department shall withhold an amount equal
7 to the August payment due under this section until the district or
8 public school academy complies with this subsection. If the
9 district or public school academy does not comply with this
10 subsection by the end of the state fiscal year, the withheld funds
11 shall be forfeited to the school aid fund.

12 (10) In order to receive funds under this section, a district
13 or public school academy shall allow access for the department or
14 the department's designee to audit all records related to the
15 program for which it receives those funds. The district or public
16 school academy shall reimburse the state for all disallowances
17 found in the audit.

18 (11) Subject to subsections (6), (7), and (8), for schools in
19 which more than 40% of pupils are identified as at-risk, a district
20 or public school academy may use the funds it receives under this
21 section to implement schoolwide reforms that are guided by the
22 district's comprehensive needs assessment and are included in the
23 district improvement plan. Schoolwide reforms must include parent
24 and community supports, activities, and services, that may include
25 the pathways to potential program created by the department of
26 health and human services or the communities in schools program.

27 (12) A district or public school academy that receives funds

1 under this section may use up to 5% of those funds to provide
2 research-based professional development and to implement a coaching
3 model that supports the multi-tiered system of supports framework.
4 Professional development may be provided to district and school
5 leadership and teachers and must be aligned to professional
6 learning standards; integrated into district, school building, and
7 classroom practices; and solely related to the following:

8 (a) Implementing the multi-tiered system of supports required
9 in subsection (3) with fidelity and utilizing the data from that
10 system to inform curriculum and instruction.

11 (b) Implementing section 1280f of the revised school code, MCL
12 380.1280f, as required under subsection (3), with fidelity.

13 (13) A district or public school academy that receives funds
14 under this section may use funds received under this section to
15 support instructional or behavioral coaches. Funds used for this
16 purpose are not subject to the cap under subsection (12).

17 (14) If necessary, and before any proration required under
18 section 296, the department shall prorate payments under this
19 section, **EXCEPT PAYMENTS UNDER SUBSECTION (7), (8), OR (17)**, by
20 reducing the amount of the allocation as otherwise calculated under
21 this section by an equal percentage per district.

22 (15) If a district is dissolved pursuant to section 12 of the
23 revised school code, MCL 380.12, the intermediate district to which
24 the dissolved school district was constituent shall determine the
25 estimated number of pupils that are economically disadvantaged and
26 that are enrolled in each of the other districts within the
27 intermediate district and provide that estimate to the department

1 for the purposes of distributing funds under this section within 60
2 days after the school district is declared dissolved.

3 (16) Beginning in 2019-2020, if a district or public school
4 academy does not demonstrate to the satisfaction of the department
5 that at least 50% of at-risk pupils are proficient in English
6 language arts by the end of grade 3 as measured by the state
7 assessment for the immediately preceding school year or have
8 achieved at least 1 year's growth in English language arts during
9 grade 3 as measured by a local benchmark assessment for the
10 immediately preceding school year, demonstrate to the satisfaction
11 of the department that at least 50% of at-risk pupils are
12 proficient in mathematics by the end of grade 8 as measured by the
13 state assessment for the immediately preceding school year or have
14 achieved at least 1 year's growth in mathematics during grade 8 as
15 measured by a local benchmark assessment for the immediately
16 preceding school year, and demonstrate to the satisfaction of the
17 department improvement over each of the 3 immediately preceding
18 school years in the percentage of at-risk pupils that are career-
19 and college-ready as determined by proficiency on the English
20 language arts, mathematics, and science content area assessments on
21 the grade 11 summative assessment under section 1279g(2)(a) of the
22 revised school code, MCL 380.1279g, the district or public school
23 academy shall ensure all of the following:

24 (a) The district or public school academy shall determine the
25 proportion of ~~total~~-at-risk pupils **IN GRADE 3** that represents the
26 number of **AT-RISK** pupils in grade 3 that are not proficient in
27 English language arts by the end of grade 3 or that did not achieve

1 at least 1 year's growth in English language arts during grade 3,
2 and the district or public school academy shall expend that same
3 proportion multiplied by 1/3 of its total at-risk funds under this
4 section on tutoring and other methods of improving grade 3 English
5 language arts proficiency or growth.

6 (b) The district or public school academy shall determine the
7 proportion of ~~total~~-at-risk pupils **IN GRADE 8** that represents the
8 number of **AT-RISK** pupils in grade 8 that are not proficient in
9 mathematics by the end of grade 8 or that did not achieve at least
10 1 year's growth in mathematics during grade 8, and the district or
11 public school academy shall expend that same proportion multiplied
12 by 1/3 of its total at-risk funds under this section on tutoring
13 and other methods of improving grade 8 mathematics proficiency or
14 growth.

15 (c) The district or public school academy shall determine the
16 proportion of ~~total~~-at-risk pupils **IN GRADE 11** that ~~represent~~
17 **REPRESENTS** the number of **AT-RISK** pupils in grade 11 that are not
18 career- and college-ready as measured by the student's score on the
19 English language arts, mathematics, and science content area
20 assessments on the grade 11 summative assessment under section
21 1279g(2)(a) of the revised school code, MCL 380.1279g, and the
22 district or public school academy shall expend that same proportion
23 multiplied by 1/3 of its total at-risk funds under this section on
24 tutoring and other activities to improve scores on the college
25 entrance examination portion of the Michigan merit examination.

26 ~~———— (17) As used in subsection (16), "total at-risk pupils" means~~
27 ~~the sum of the number of pupils in grade 3 that are at-risk and the~~

1 ~~number of pupils in grade 8 that are at risk and the number of~~
2 ~~pupils in grade 11 that are at risk.~~

3 (17) FROM THE FUNDS ALLOCATED UNDER SUBSECTION (1), THERE IS
4 ALLOCATED FOR 2018-2019 AN AMOUNT NOT TO EXCEED \$18,000,000.00 FOR
5 PAYMENTS TO DISTRICTS AND PUBLIC SCHOOL ACADEMIES THAT OTHERWISE
6 RECEIVED AN ALLOCATION UNDER THIS SECTION IN 2018-2019 AND THAT
7 ALLOCATION WAS LESS THAN THE DISTRICT'S OR PUBLIC SCHOOL ACADEMY'S
8 ALLOCATION UNDER THIS SECTION IN 2017-2018. THE ALLOCATION FOR EACH
9 DISTRICT OR PUBLIC SCHOOL ACADEMY UNDER THIS SUBSECTION IS AN
10 AMOUNT EQUAL TO ITS ALLOCATION UNDER THIS SECTION IN 2017-2018
11 MINUS ITS ALLOCATION AS OTHERWISE CALCULATED UNDER THIS SECTION FOR
12 2018-2019. IF NECESSARY, AND BEFORE ANY PRORATION REQUIRED UNDER
13 SECTION 296, THE DEPARTMENT SHALL PRORATE PAYMENTS UNDER THIS
14 SUBSECTION BY REDUCING THE AMOUNT OF THE ALLOCATION AS OTHERWISE
15 CALCULATED UNDER THIS SUBSECTION BY AN EQUAL PERCENTAGE PER
16 DISTRICT OR PUBLIC SCHOOL ACADEMY.

17 (18) A district or public school academy that receives funds
18 under this section may use funds received under this section to
19 provide an anti-bullying or crisis intervention program.

20 (19) The department shall collaborate with the department of
21 health and human services to prioritize assigning Pathways to
22 Potential Success coaches to elementary schools that have a high
23 percentage of pupils in grades K to 3 who are not proficient in
24 English language arts, based upon state assessments for pupils in
25 those grades.

26 (20) As used in this section:

27 (a) "At-risk pupil" means a pupil in grades K to 12 for whom

1 the district has documentation that the pupil meets any of the
2 following criteria:

3 (i) The pupil is economically disadvantaged.

4 (ii) The pupil is an English language learner.

5 (iii) The pupil is chronically absent as defined by and
6 reported to the center.

7 (iv) The pupil is a victim of child abuse or neglect.

8 (v) The pupil is a pregnant teenager or teenage parent.

9 (vi) The pupil has a family history of school failure,
10 incarceration, or substance abuse.

11 (vii) The pupil is an immigrant who has immigrated within the
12 immediately preceding 3 years.

13 (viii) The pupil did not complete high school in 4 years and
14 is still continuing in school as identified in the Michigan cohort
15 graduation and dropout report.

16 (ix) For pupils for whom the results of the state summative
17 assessment have been received, is a pupil who did not achieve
18 proficiency on the English language arts, mathematics, science, or
19 social studies content area assessment.

20 (x) Is a pupil who is at risk of not meeting the district's or
21 public school academy's core academic curricular objectives in
22 English language arts or mathematics, as demonstrated on local
23 assessments.

24 (b) "Economically disadvantaged" means a pupil who has been
25 determined eligible for free or reduced-price meals as determined
26 under the Richard B. Russell national school lunch act, 42 USC 1751
27 to 1769j; who is in a household receiving supplemental nutrition

1 assistance program or temporary assistance for needy families
2 assistance; or who is homeless, migrant, or in foster care, as
3 reported to the center.

4 (c) "English language learner" means limited English
5 proficient pupils who speak a language other than English as their
6 primary language and have difficulty speaking, reading, writing, or
7 understanding English as reported to the center.

8 (d) "Statewide weighted average foundation allowance" means
9 the number that is calculated by adding together the result of each
10 district's or public school academy's foundation allowance or per
11 pupil payment calculated under section 20 multiplied by the number
12 of pupils in membership in that district or public school academy,
13 and then dividing that total by the statewide number of pupils in
14 membership. For the purposes of this calculation, a district's
15 foundation allowance shall not exceed the basic foundation
16 allowance under section 20 for the current state fiscal year.

17 Sec. 31j. (1) From the general fund money appropriated in
18 section 11, there is allocated an amount not to exceed \$575,000.00
19 for 2018-2019 for a pilot project to support districts in the
20 purchase of locally grown fruits and vegetables as described in
21 this section.

22 (2) The department shall provide funding in an amount equal to
23 \$125,000.00 per region to districts in prosperity regions 2, 4, 6,
24 and 9 for the pilot project described under this section. In
25 addition, the department shall provide funding in an amount equal
26 to \$75,000.00 to districts in prosperity region 8 for the pilot
27 project described under this section. From the funding to districts

1 in subsection (1), funding retained by prosperity regions that
2 administer the project shall not exceed 10%, and funding retained
3 by the department for administration shall not exceed 6%. A
4 prosperity region may enter into a memorandum of understanding with
5 the department or another prosperity region, or both, to administer
6 the project. If the department administers the project for a
7 prosperity region, the department may retain up to 10% of that
8 prosperity region's funding for administration.

9 (3) The department shall develop and implement a competitive
10 grant program for districts within the identified prosperity
11 regions to assist in paying for the costs incurred by the district
12 to purchase or increase purchases of whole or minimally processed
13 fruits, vegetables, and legumes grown in this state. The maximum
14 amount that may be drawn down on a grant to a district shall be
15 based on the number of meals served by the school district during
16 the previous school year under the Richard B. Russell national
17 school lunch act, 42 USC 1751 to 1769j. The department shall
18 collaborate with the Michigan department of agriculture and rural
19 development to provide training to newly participating schools and
20 electronic information on Michigan agriculture.

21 (4) The goals of the pilot project include improving daily
22 nutrition and eating habits for children through the school
23 settings while investing in Michigan's agricultural and related
24 food business economy.

25 (5) A district that receives a grant under this section shall
26 use those funds for the costs incurred by the school district to
27 purchase whole or minimally processed fruits, vegetables, and

1 legumes that meet all of the following:

2 (a) Are purchased on or after the date the district received
3 notification from the department of the amount to be distributed to
4 the district under this subsection, including purchases made to
5 launch meals in September 2018 for the 2018-2019 ~~school~~**FISCAL**
6 year.

7 (b) Are grown in this state and, if minimally processed, are
8 also processed in this state.

9 (c) Are used for meals that are served as part of the United
10 States Department of Agriculture's child nutrition programs.

11 (6) For Michigan-grown fruits, vegetables, and legumes that
12 satisfy the requirements of subsection (5), matching reimbursements
13 shall be made in an amount not to exceed 10 cents for every school
14 meal that is served as part of the United States Department of
15 Agriculture's child nutrition programs and that uses Michigan-grown
16 fruits, vegetables, and legumes.

17 (7) A district that receives a grant for reimbursement under
18 this section shall use the grant to purchase whole or minimally
19 processed fruits, vegetables, and legumes that are grown in this
20 state and, if minimally processed, are also processed in this
21 state.

22 (8) In awarding grants under this section, the department
23 shall work in conjunction with prosperity region offices, in
24 consultation with Michigan-based farm to school resource
25 organizations, to develop scoring criteria that assess an
26 applicant's ability to procure Michigan-grown products, prepare and
27 menu Michigan-grown products, promote and market Michigan-grown

1 products, and submit letters of intent from districts on plans for
2 educational activities that promote the goals of the program.

3 (9) The department shall give preference to districts that
4 propose educational activities that meet 1 or more of the
5 following: promote healthy food activities; have clear educational
6 objectives; involve parents or the community; connect to a school's
7 farm-to-school procurement activities; and market and promote the
8 program, leading to increased pupil knowledge and consumption of
9 Michigan-grown products. Applications with robust marketing and
10 promotional activities shall receive stronger weighting and
11 consideration.

12 (10) In awarding grants, the department shall also consider
13 all of the following: the percentage of children who qualify for
14 free or reduced price school meals under the Richard B. Russell
15 national school lunch act, 42 USC 1751 to 1769j; the variety of
16 school sizes and geographic locations within the identified
17 prosperity regions; and existing or future collaboration
18 opportunities between more than 1 district in a prosperity region.

19 (11) As a condition of receiving a grant under this section, a
20 district shall provide or direct its vendors to provide to
21 prosperity region offices copies of monthly receipts that show the
22 quantity of different Michigan-grown fruits, vegetables, and
23 legumes purchased, the amount of money spent on each of these
24 products, the name and Michigan location of the farm that grew the
25 products, and the methods or plans to market and promote the
26 program. The district shall also provide to the prosperity region
27 monthly lunch numbers and lunch participation rates, and calendars

1 or monthly menus noting when and how Michigan-grown products were
2 used in meals. The district and school food service director or
3 directors also shall agree to respond to brief online surveys and
4 to provide a report that shows the percentage relationship of
5 Michigan spending compared to total food spending. Not later than
6 March 1, 2019, each prosperity region office, either on its own or
7 in conjunction with another prosperity region, shall submit a
8 report to the department on expected outcomes and related
9 measurements for economic development and children's nutrition and
10 readiness to learn based on progress so far. The report shall
11 include at least all of the following:

12 (a) The extent to which farmers and related businesses,
13 including distributors and processors, see an increase in market
14 opportunities and income generation through sales of Michigan or
15 local products to districts. All of the following apply for
16 purposes of this subdivision:

17 (i) The data used to determine the amount of this increase
18 shall be the total dollar amount of Michigan or local fruits,
19 vegetables, and legumes purchased by schools, along with the number
20 of different types of products purchased; school food purchasing
21 trends identified along with products that are of new and growing
22 interest among food service directors; the number of businesses
23 impacted; and the percentage of total food budget spent on
24 Michigan-grown fruits, vegetables, and legumes.

25 (ii) The prosperity region office shall use purchasing data
26 collected for the project and surveys of school food service
27 directors on the impact and success of the project as the source

1 for the data described in subparagraph (i).

2 (b) The ability to which pupils can access a variety of
3 healthy Michigan-grown foods through schools and increase their
4 consumption of those foods. All of the following apply for purposes
5 of this subdivision:

6 (i) The data used to determine whether this subparagraph is
7 met shall be the number of pupils exposed to Michigan-grown fruits,
8 vegetables, and legumes at schools; the variety of products served;
9 new items taste-tested or placed on menus; and the increase in
10 pupil willingness to try new local, healthy foods.

11 (ii) The prosperity region office shall use purchasing data
12 collected for the project, meal count and enrollment numbers,
13 school menu calendars, and surveys of school food service directors
14 as the source for the data described in subparagraph (i).

15 (12) The department shall compile the reports provided by
16 prosperity region offices under subsection (11) into 1 legislative
17 report. The department shall provide this report not later than
18 April 1, 2019 to the house and senate subcommittees responsible for
19 school aid, the house and senate fiscal agencies, and the state
20 budget director.

21 **SEC. 31N. (1) FROM THE SCHOOL MENTAL HEALTH AND SUPPORT**
22 **SERVICES FUND MONEY APPROPRIATED IN SECTION 11, THERE IS ALLOCATED**
23 **FOR 2018-2019 FOR THE PURPOSES OF THIS SECTION AN AMOUNT NOT TO**
24 **EXCEED \$30,000,000.00 AND FROM THE GENERAL FUND MONEY APPROPRIATED**
25 **IN SECTION 11, THERE IS ALLOCATED FOR 2018-2019 FOR THE PURPOSES OF**
26 **THIS SECTION AN AMOUNT NOT TO EXCEED \$1,300,000.00. NOT LATER THAN**
27 **FEBRUARY 15, 2019, THE DEPARTMENT AND THE DEPARTMENT OF HEALTH AND**

1 HUMAN SERVICES SHALL ESTABLISH A PROGRAM TO DISTRIBUTE THIS FUNDING
2 TO ADD LICENSED BEHAVIORAL HEALTH PROVIDERS FOR GENERAL EDUCATION
3 PUPILS, AND SHALL SEEK FEDERAL MEDICAID MATCH FUNDING FOR ALL
4 ELIGIBLE MENTAL HEALTH AND SUPPORT SERVICES.

5 (2) NOT LATER THAN FEBRUARY 15, 2019, THE DEPARTMENT AND THE
6 DEPARTMENT OF HEALTH AND HUMAN SERVICES SHALL CREATE AN ADVISORY
7 COUNCIL AND DEFINE GOALS FOR IMPLEMENTATION OF PROGRAMS FUNDED
8 UNDER THIS SECTION, AND SHALL PROVIDE FEEDBACK ON THAT
9 IMPLEMENTATION. AT A MINIMUM, THE ADVISORY COUNCIL SHALL INCLUDE
10 REPRESENTATIVES OF STATE ASSOCIATIONS REPRESENTING SCHOOL HEALTH,
11 SCHOOL MENTAL HEALTH, SCHOOL COUNSELING, EDUCATION, HEALTH CARE,
12 AND OTHER ORGANIZATIONS, REPRESENTATIVES FROM THE DEPARTMENT AND
13 THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, AND A REPRESENTATIVE
14 FROM THE SCHOOL SAFETY TASK FORCE CREATED UNDER EXECUTIVE ORDER NO.
15 2018-5. THE DEPARTMENT AND DEPARTMENT OF HEALTH AND HUMAN SERVICES,
16 WORKING WITH THE ADVISORY COUNCIL, SHALL DETERMINE AN APPROACH TO
17 INCREASE CAPACITY FOR MENTAL HEALTH AND SUPPORT SERVICES IN SCHOOLS
18 FOR GENERAL EDUCATION PUPILS, AND SHALL DETERMINE WHERE THAT
19 INCREASE IN CAPACITY QUALIFIES FOR FEDERAL MEDICAID MATCH FUNDING.

20 (3) THE ADVISORY COUNCIL SHALL DEVELOP A FIDUCIARY AGENT
21 CHECKLIST FOR INTERMEDIATE DISTRICTS TO FACILITATE DEVELOPMENT OF A
22 PLAN TO SUBMIT TO THE DEPARTMENT AND TO THE DEPARTMENT OF HEALTH
23 AND HUMAN SERVICES. THE DEPARTMENT AND DEPARTMENT OF HEALTH AND
24 HUMAN SERVICES SHALL DETERMINE THE REQUIREMENTS AND FORMAT FOR
25 INTERMEDIATE DISTRICTS TO SUBMIT A PLAN FOR POSSIBLE FUNDING UNDER
26 SUBSECTION (5). APPLICATIONS FOR FUNDING FOR THIS PROGRAM SHALL BE
27 MADE AVAILABLE TO DISTRICTS AND INTERMEDIATE DISTRICTS NOT LATER

1 THAN MARCH 1, 2019, AND FUNDING SHALL BE AWARDED NOT LATER THAN
2 APRIL 1, 2019.

3 (4) NOT LATER THAN JANUARY 1, 2019, THE DEPARTMENT OF HEALTH
4 AND HUMAN SERVICES SHALL SEEK TO AMEND THE STATE MEDICAID PLAN OR
5 OBTAIN APPROPRIATE MEDICAID WAIVERS AS NECESSARY FOR THE PURPOSE OF
6 GENERATING ADDITIONAL MEDICAID MATCH FUNDING FOR SCHOOL MENTAL
7 HEALTH AND SUPPORT SERVICES FOR GENERAL EDUCATION PUPILS. IT IS THE
8 INTENT OF THE LEGISLATURE THAT A SUCCESSFUL STATE PLAN AMENDMENT OR
9 OTHER MEDICAID MATCH MECHANISMS WILL RESULT IN ADDITIONAL FEDERAL
10 MEDICAID MATCH FUNDING FOR BOTH THE NEW FUNDING ALLOCATED UNDER
11 THIS SECTION AND FOR ANY EXPENSES ALREADY INCURRED BY DISTRICTS AND
12 INTERMEDIATE DISTRICTS FOR MENTAL HEALTH AND SUPPORT SERVICES FOR
13 GENERAL EDUCATION PUPILS.

14 (5) FROM THE FUNDS ALLOCATED UNDER SUBSECTION (1), THERE IS
15 ALLOCATED AN AMOUNT NOT TO EXCEED \$5,000,000.00 TO BE DISTRIBUTED
16 TO THE EXISTING NETWORK OF CHILD AND ADOLESCENT HEALTH CENTERS TO
17 PLACE A LICENSED MASTER'S LEVEL BEHAVIORAL HEALTH PROVIDER IN
18 SCHOOLS THAT DO NOT CURRENTLY HAVE SERVICES AVAILABLE TO GENERAL
19 EDUCATION STUDENTS. EXISTING CHILD AND ADOLESCENT HEALTH CENTERS
20 RECEIVING FUNDING UNDER THIS SUBSECTION SHALL PROVIDE A COMMITMENT
21 TO MAINTAIN SERVICES AND IMPLEMENT ALL AVAILABLE FEDERAL MEDICAID
22 MATCH METHODOLOGIES. THE DEPARTMENT OF HEALTH AND HUMAN SERVICES
23 SHALL USE ALL EXISTING OR ADDITIONAL FEDERAL MEDICAID MATCH
24 OPPORTUNITIES TO MAXIMIZE FUNDING ALLOCATED UNDER THIS SUBSECTION.
25 FUNDS UNDER THIS SUBSECTION SHALL BE PROVIDED TO EXISTING CHILD AND
26 ADOLESCENT HEALTH CENTERS IN THE SAME PROPORTION THAT FUNDING UNDER
27 SECTION 31A(7) IS PROVIDED TO CHILD AND ADOLESCENT HEALTH CENTERS

1 LOCATED AND OPERATING IN THOSE DISTRICTS.

2 (6) FROM THE FUNDS ALLOCATED UNDER SUBSECTION (1), THERE IS
3 ALLOCATED AN AMOUNT NOT TO EXCEED \$16,500,000.00 TO BE DISTRIBUTED
4 TO INTERMEDIATE DISTRICTS FOR THE PROVISION OF MENTAL HEALTH AND
5 SUPPORT SERVICES TO GENERAL EDUCATION STUDENTS. FROM THE FUNDS
6 ALLOCATED UNDER THIS SUBSECTION, THE DEPARTMENT SHALL DISTRIBUTE
7 \$294,500.00 TO EACH INTERMEDIATE DISTRICT THAT SUBMITS A PLAN
8 APPROVED BY THE DEPARTMENT AND THE DEPARTMENT OF HEALTH AND HUMAN
9 SERVICES. THE DEPARTMENT AND DEPARTMENT OF HEALTH AND HUMAN
10 SERVICES SHALL WORK COOPERATIVELY IN PROVIDING OVERSIGHT AND
11 ASSISTANCE TO INTERMEDIATE DISTRICTS DURING THE PLAN SUBMISSION
12 PROCESS AND SHALL MONITOR THE PROGRAM UPON IMPLEMENTATION. AN
13 INTERMEDIATE DISTRICT SHALL USE FUNDS AWARDED UNDER THIS SUBSECTION
14 TO PROVIDE FUNDING TO ITS CONSTITUENT DISTRICTS, INCLUDING PUBLIC
15 SCHOOL ACADEMIES THAT ARE CONSIDERED TO BE CONSTITUENT DISTRICTS
16 UNDER SECTION 705(7) OF THE REVISED SCHOOL CODE, MCL 380.705, FOR
17 THE PROVISION OF MENTAL HEALTH AND SUPPORT SERVICES TO GENERAL
18 EDUCATION STUDENTS. IN ADDITION TO THE CRITERIA IDENTIFIED UNDER
19 SUBSECTION (7), AN INTERMEDIATE DISTRICT SHALL CONSIDER GEOGRAPHY,
20 COST, OR OTHER CHALLENGES WHEN AWARDING FUNDING TO ITS CONSTITUENT
21 DISTRICTS. IF FUNDING AWARDED TO AN INTERMEDIATE DISTRICT REMAINS
22 AFTER FUNDS ARE PROVIDED BY THE INTERMEDIATE DISTRICT TO ITS
23 CONSTITUENT DISTRICTS, THE INTERMEDIATE DISTRICT MAY HIRE OR
24 CONTRACT FOR EXPERTS TO PROVIDE MENTAL HEALTH AND SUPPORT SERVICES
25 TO GENERAL EDUCATION STUDENTS RESIDING WITHIN THE BOUNDARIES OF THE
26 INTERMEDIATE DISTRICT.

27 (7) A DISTRICT REQUESTING FUNDS UNDER THIS SECTION FROM THE

1 INTERMEDIATE DISTRICT IN WHICH IT IS LOCATED SHALL SUBMIT AN
2 APPLICATION FOR FUNDING FOR THE PROVISION OF MENTAL HEALTH AND
3 SUPPORT SERVICES TO GENERAL EDUCATION PUPILS. A DISTRICT RECEIVING
4 FUNDING FROM THE APPLICATION PROCESS DESCRIBED IN THIS SUBSECTION
5 SHALL PROVIDE SERVICES TO NONPUBLIC STUDENTS UPON REQUEST. AN
6 INTERMEDIATE DISTRICT SHALL NOT DISCRIMINATE AGAINST AN APPLICATION
7 SUBMITTED BY A PUBLIC SCHOOL ACADEMY SIMPLY ON THE BASIS OF THE
8 APPLICANT BEING A PUBLIC SCHOOL ACADEMY. GRANT APPLICATIONS SHALL
9 BE APPROVED BASED ON THE FOLLOWING CRITERIA:

10 (A) THE DISTRICT'S COMMITMENT TO MAINTAIN MENTAL HEALTH AND
11 SUPPORT SERVICES DELIVERED BY LICENSED PROVIDERS INTO FUTURE FISCAL
12 YEARS.

13 (B) THE DISTRICT'S COMMITMENT TO IMPLEMENT ALL FEDERAL
14 MEDICAID MATCH METHODOLOGIES AND PROVIDE A LOCAL MATCH OF AT LEAST
15 20%.

16 (C) THE DISTRICT'S COMMITMENT TO ADHERE TO ANY LOCAL FUNDING
17 REQUIREMENTS DETERMINED BY THE DEPARTMENT AND THE DEPARTMENT OF
18 HEALTH AND HUMAN SERVICES.

19 (D) THE EXTENT OF THE DISTRICT'S EXISTING PARTNERSHIPS WITH
20 COMMUNITY HEALTH CARE PROVIDERS OR THE ABILITY OF THE DISTRICT TO
21 ESTABLISH SUCH PARTNERSHIPS.

22 (E) THE DISTRICT'S DOCUMENTATION OF NEED, INCLUDING GAPS IN
23 CURRENT MENTAL HEALTH AND SUPPORT SERVICES FOR THE GENERAL
24 EDUCATION POPULATION.

25 (F) THE DISTRICT'S SUBMISSION OF A FORMAL PLAN OF ACTION
26 IDENTIFYING THE NUMBER OF SCHOOLS AND STUDENTS TO BE SERVED.

27 (G) WHETHER THE DISTRICT WILL PARTICIPATE IN ONGOING

1 TRAININGS.

2 (H) WHETHER THE DISTRICT WILL SUBMIT AN ANNUAL REPORT TO THE
3 STATE.

4 (I) WHETHER THE DISTRICT DEMONSTRATES A WILLINGNESS TO WORK
5 WITH THE STATE TO ESTABLISH PROGRAM AND SERVICE DELIVERY
6 BENCHMARKS.

7 (J) WHETHER THE DISTRICT HAS DEVELOPED A SCHOOL SAFETY PLAN OR
8 IS IN THE PROCESS OF DEVELOPING A SCHOOL SAFETY PLAN.

9 (K) ANY OTHER REQUIREMENTS DETERMINED BY THE DEPARTMENT OR THE
10 DEPARTMENT OF HEALTH AND HUMAN SERVICES.

11 (8) FUNDING UNDER THIS SECTION, INCLUDING ANY FEDERAL MEDICAID
12 FUNDS THAT ARE GENERATED, SHALL NOT BE USED TO SUPPLANT EXISTING
13 SERVICES.

14 (9) BOTH OF THE FOLLOWING ARE ALLOCATED FOR 2018-2019 TO THE
15 DEPARTMENT OF HEALTH AND HUMAN SERVICES FROM THE GENERAL FUND MONEY
16 ALLOCATED UNDER SUBSECTION (1):

17 (A) AN AMOUNT NOT TO EXCEED \$1,000,000.00 FOR THE PURPOSE OF
18 UPGRADING TECHNOLOGY AND SYSTEMS INFRASTRUCTURE AND OTHER
19 ADMINISTRATIVE REQUIREMENTS TO SUPPORT THE PROGRAMS FUNDED UNDER
20 THIS SECTION.

21 (B) AN AMOUNT NOT TO EXCEED \$300,000.00 FOR THE PURPOSE OF
22 ADMINISTERING THE PROGRAMS UNDER THIS SECTION AND WORKING ON
23 GENERATING ADDITIONAL MEDICAID FUNDS AS A RESULT OF PROGRAMS FUNDED
24 UNDER THIS SECTION.

25 (10) FROM THE FUNDS ALLOCATED UNDER SUBSECTION (1), THERE IS
26 ALLOCATED FOR 2018-2019 AN AMOUNT NOT TO EXCEED \$500,000.00 TO
27 INTERMEDIATE DISTRICTS ON AN EQUAL PER INTERMEDIATE DISTRICT BASIS

1 FOR THE PURPOSE OF ADMINISTERING PROGRAMS FUNDED UNDER THIS
2 SECTION.

3 (11) THE DEPARTMENT AND THE DEPARTMENT OF HEALTH AND HUMAN
4 SERVICES SHALL WORK WITH THE ADVISORY COUNCIL TO DEVELOP PROPOSED
5 MEASUREMENTS OF OUTCOMES AND PERFORMANCE. THOSE MEASUREMENTS SHALL
6 INCLUDE, AT A MINIMUM, THE NUMBER OF PUPILS SERVED, THE NUMBER OF
7 SCHOOLS SERVED, AND WHERE THOSE PUPILS AND SCHOOLS WERE LOCATED.
8 THE DEPARTMENT AND THE DEPARTMENT OF HEALTH AND HUMAN SERVICES
9 SHALL COMPILE DATA NECESSARY TO MEASURE OUTCOMES AND PERFORMANCE,
10 AND DISTRICTS AND INTERMEDIATE DISTRICTS RECEIVING FUNDING UNDER
11 THIS SECTION SHALL PROVIDE DATA REQUESTED BY THE DEPARTMENT AND
12 DEPARTMENT OF HEALTH AND HUMAN SERVICES FOR THE MEASUREMENT OF
13 OUTCOMES AND PERFORMANCE. THE DEPARTMENT AND DEPARTMENT OF HEALTH
14 AND HUMAN SERVICES SHALL PROVIDE A REPORT NOT LATER THAN DECEMBER
15 1, 2019 AND BY DECEMBER 1 ANNUALLY THEREAFTER TO THE HOUSE AND
16 SENATE APPROPRIATIONS SUBCOMMITTEES ON SCHOOL AID AND HEALTH AND
17 HUMAN SERVICES, AND TO THE HOUSE AND SENATE FISCAL AGENCIES. AT A
18 MINIMUM, THE REPORT SHALL INCLUDE MEASUREMENTS OF OUTCOMES AND
19 PERFORMANCE, PROPOSALS TO INCREASE EFFICACY AND USEFULNESS,
20 PROPOSALS TO INCREASE PERFORMANCE, AND PROPOSALS TO EXPAND
21 COVERAGE.

22 (12) FROM THE FUNDS ALLOCATED IN SUBSECTION (1), THERE IS
23 ALLOCATED FOR 2018-2019 AN AMOUNT NOT TO EXCEED \$8,000,000.00 FOR
24 THE BEHAVIORAL HEALTH TEAM PILOT PROGRAM. THE DEPARTMENT SHALL
25 AWARD FUNDS UNDER THIS SUBSECTION TO INTERMEDIATE SCHOOL DISTRICTS
26 TO CREATE SCHOOL-BASED BEHAVIORAL HEALTH ASSESSMENT TEAMS UTILIZING
27 A "TRAIN THE TRAINER" MODEL OF TRAINING THAT FOCUSES ON PROVIDING

1 AGE-APPROPRIATE INTERVENTIONS, IDENTIFYING BEHAVIORS THAT SUGGEST A
2 PUPIL MAY BE STRUGGLING WITH MENTAL HEALTH CHALLENGES, PROVIDING
3 TREATMENT AND SUPPORT OF THE PUPIL, AND USING DISCIPLINARY
4 INTERVENTIONS AND THE CRIMINAL JUSTICE SYSTEM AS METHODS OF LAST
5 RESORT. THE INTERMEDIATE DISTRICT MAY HIRE OR CONTRACT WITH EXPERTS
6 TO PROVIDE TRAINING TO INTERMEDIATE DISTRICT STAFF SO THAT IT MAY
7 PROVIDE SIMILAR TRAINING FOR STAFF OF THE CONSTITUENT DISTRICTS.
8 THE DEPARTMENT SHALL AWARD THE ENTIRE \$8,000,000.00 ALLOCATED UNDER
9 THIS SUBSECTION BY ALLOCATING AN EQUAL DOLLAR AMOUNT TO EACH
10 INTERMEDIATE DISTRICT THAT HAS ITS APPLICATION APPROVED UNDER
11 SUBSECTION (13).

12 (13) AN INTERMEDIATE DISTRICT SHALL APPLY FOR FUNDS UNDER
13 SUBSECTION (12) IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT.
14 THE APPLICATION SHALL INCLUDE, BUT IS NOT LIMITED TO, ALL OF THE
15 FOLLOWING:

16 (A) A DETAILED PLAN ON HOW THE INTERMEDIATE DISTRICT WILL WORK
17 WITH CONSTITUENT DISTRICTS TO IDENTIFY A BEHAVIORAL HEALTH
18 ASSESSMENT TEAM WITHIN EACH SCHOOL TO BE TRAINED UNDER THIS PILOT.
19 THE PLAN SHALL DEMONSTRATE THAT A BEHAVIORAL HEALTH ASSESSMENT TEAM
20 MUST CONSIST OF, BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING
21 INDIVIDUALS:

22 (i) SCHOOL ADMINISTRATORS AND TEACHERS.

23 (ii) AN INDIVIDUAL WHOSE PRIMARY PURPOSE IS ENSURING SAFETY IN
24 A SCHOOL.

25 (iii) PATHWAYS TO POTENTIAL WORKERS, IF THE SCHOOL
26 PARTICIPATES IN THE PATHWAYS TO POTENTIAL PROGRAM.

27 (iv) LOCAL MENTAL HEALTH AGENCY REPRESENTATIVES.

1 (v) LOCAL LAW ENFORCEMENT AGENCY PERSONNEL.

2 (vi) IF APPROPRIATE UNDER THE MODEL BEING USED, A PUPIL.

3 (B) IDENTIFICATION OF A BEHAVIORAL HEALTH ASSESSMENT TRAINING
4 IMPLEMENTATION PLAN THAT SHALL INCLUDE A DESCRIPTION OF HOW RESULTS
5 OF THE TRAINING WILL BE INCORPORATED INTO ADMINISTRATIVE POLICIES
6 AND A COMPREHENSIVE SCHOOL SAFETY PLAN, INCLUDING INTO A MULTI-
7 TIERED SYSTEM OF SUPPORT.

8 (14) THE FUNDS ALLOCATED UNDER THIS SECTION FOR 2018-2019 ARE
9 A WORK PROJECT APPROPRIATION, AND ANY UNEXPENDED FUNDS FOR 2018-
10 2019 ARE CARRIED FORWARD INTO 2019-2020. THE PURPOSE OF THE WORK
11 PROJECT IS TO CONTINUE TO PROVIDE FUNDING FOR THE EXPANSION OF
12 MENTAL HEALTH AND SUPPORT SERVICES FOR GENERAL EDUCATION STUDENTS.
13 THE ESTIMATED COMPLETION DATE OF THE WORK PROJECT IS SEPTEMBER 30,
14 2022.

15 Sec. 32d. (1) From the funds appropriated in section 11, there
16 is allocated to eligible intermediate districts and consortia of
17 intermediate districts for great start readiness programs an amount
18 not to exceed ~~\$243,600,000.00~~ **\$244,600,000.00** for 2018-2019. Funds
19 allocated under this section for great start readiness programs
20 shall be used to provide part-day, school-day, or GSRP/Head Start
21 blended comprehensive free compensatory classroom programs designed
22 to improve the readiness and subsequent achievement of
23 educationally disadvantaged children who meet the participant
24 eligibility and prioritization guidelines as defined by the
25 department. For a child to be eligible to participate in a program
26 under this section, the child shall be at least 4, but less than 5,
27 years of age as of September 1 of the school year in which the

1 program is offered and shall meet those eligibility and
2 prioritization guidelines. A child who is not 4 years of age as of
3 September 1, but who will be 4 years of age not later than December
4 1, is eligible to participate if the child's parent or legal
5 guardian seeks a waiver from the September 1 eligibility date by
6 submitting a request for enrollment in a program to the responsible
7 intermediate district, if the program has capacity on or after
8 September 1 of the school year, and if the child meets eligibility
9 and prioritization guidelines.

10 (2) From the funds allocated under subsection (1), an amount
11 not to exceed \$242,600,000.00 is allocated to intermediate
12 districts or consortia of intermediate districts based on the
13 formula in section 39. An intermediate district or consortium of
14 intermediate districts receiving funding under this section shall
15 act as the fiduciary for the great start readiness programs. In
16 order to be eligible to receive funds allocated under this
17 subsection from an intermediate district or consortium of
18 intermediate districts, a district, a consortium of districts, or a
19 public or private for-profit or nonprofit legal entity or agency
20 shall comply with this section and section 39.

21 (3) In addition to the allocation under subsection (1), from
22 the general fund money appropriated under section 11, there is
23 allocated an amount not to exceed \$300,000.00 for 2018-2019 for a
24 competitive grant to continue a longitudinal evaluation of children
25 who have participated in great start readiness programs.

26 (4) To be eligible for funding under this section, a program
27 shall prepare children for success in school through comprehensive

1 part-day, school-day, or GSRP/Head Start blended programs that
2 contain all of the following program components, as determined by
3 the department:

4 (a) Participation in a collaborative recruitment and
5 enrollment process to assure that each child is enrolled in the
6 program most appropriate to his or her needs and to maximize the
7 use of federal, state, and local funds.

8 (b) An age-appropriate educational curriculum that is in
9 compliance with the early childhood standards of quality for
10 prekindergarten children adopted by the state board, including, at
11 least, the Connect4Learning curriculum.

12 (c) Nutritional services for all program participants
13 supported by federal, state, and local resources as applicable.

14 (d) Physical and dental health and developmental screening
15 services for all program participants.

16 (e) Referral services for families of program participants to
17 community social service agencies, including mental health
18 services, as appropriate.

19 (f) Active and continuous involvement of the parents or
20 guardians of the program participants.

21 (g) A plan to conduct and report annual great start readiness
22 program evaluations and continuous improvement plans using criteria
23 approved by the department.

24 (h) Participation in a school readiness advisory committee
25 convened as a workgroup of the great start collaborative that
26 provides for the involvement of classroom teachers, parents or
27 guardians of program participants, and community, volunteer, and

1 social service agencies and organizations, as appropriate. The
2 advisory committee annually shall review and make recommendations
3 regarding the program components listed in this subsection. The
4 advisory committee also shall make recommendations to the great
5 start collaborative regarding other community services designed to
6 improve all children's school readiness.

7 (i) The ongoing articulation of the kindergarten and first
8 grade programs offered by the program provider.

9 (j) Participation in this state's great start to quality
10 process with a rating of at least 3 stars.

11 (5) An application for funding under this section shall
12 provide for the following, in a form and manner determined by the
13 department:

14 (a) Ensure compliance with all program components described in
15 subsection (4).

16 (b) Except as otherwise provided in this subdivision, ensure
17 that at least 90% of the children participating in an eligible
18 great start readiness program for whom the intermediate district is
19 receiving funds under this section are children who live with
20 families with a household income that is equal to or less than 250%
21 of the federal poverty level. If the intermediate district
22 determines that all eligible children are being served and that
23 there are no children on the waiting list who live with families
24 with a household income that is equal to or less than 250% of the
25 federal poverty level, the intermediate district may then enroll
26 children who live with families with a household income that is
27 equal to or less than 300% of the federal poverty level. The

1 enrollment process shall consider income and risk factors, such
2 that children determined with higher need are enrolled before
3 children with lesser need. For purposes of this subdivision, all
4 age-eligible children served in foster care or who are experiencing
5 homelessness or who have individualized education plans
6 recommending placement in an inclusive preschool setting shall be
7 considered to live with families with household income equal to or
8 less than 250% of the federal poverty level regardless of actual
9 family income and shall be prioritized for enrollment within the
10 lowest quintile.

11 (c) Ensure that the applicant only uses qualified personnel
12 for this program, as follows:

13 (i) Teachers possessing proper training. A lead teacher must
14 have a valid teaching certificate with an early childhood (ZA or
15 ZS) endorsement or a bachelor's or higher degree in child
16 development or early childhood education with specialization in
17 preschool teaching. However, if an applicant demonstrates to the
18 department that it is unable to fully comply with this subparagraph
19 after making reasonable efforts to comply, teachers who have
20 significant but incomplete training in early childhood education or
21 child development may be used if the applicant provides to the
22 department, and the department approves, a plan for each teacher to
23 come into compliance with the standards in this subparagraph. A
24 teacher's compliance plan must be completed within 2 years of the
25 date of employment. Progress toward completion of the compliance
26 plan shall consist of at least 2 courses per calendar year.

27 (ii) Paraprofessionals possessing proper training in early

1 childhood education, including an associate's degree in early
2 childhood education or child development or the equivalent, or a
3 child development associate (CDA) credential. However, if an
4 applicant demonstrates to the department that it is unable to fully
5 comply with this subparagraph after making reasonable efforts to
6 comply, the applicant may use paraprofessionals who have completed
7 at least 1 course that earns college credit in early childhood
8 education or child development if the applicant provides to the
9 department, and the department approves, a plan for each
10 paraprofessional to come into compliance with the standards in this
11 subparagraph. A paraprofessional's compliance plan must be
12 completed within 2 years of the date of employment. Progress toward
13 completion of the compliance plan shall consist of at least 2
14 courses or 60 clock hours of training per calendar year.

15 (d) Include a program budget that contains only those costs
16 that are not reimbursed or reimbursable by federal funding, that
17 are clearly and directly attributable to the great start readiness
18 program, and that would not be incurred if the program were not
19 being offered. Eligible costs include transportation costs. The
20 program budget shall indicate the extent to which these funds will
21 supplement other federal, state, local, or private funds. Funds
22 received under this section shall not be used to supplant any
23 federal funds received by the applicant to serve children eligible
24 for a federally funded preschool program that has the capacity to
25 serve those children.

26 (6) For a grant recipient that enrolls pupils in a school-day
27 program funded under this section, each child enrolled in the

1 school-day program shall be counted as described in section 39 for
2 purposes of determining the amount of the grant award.

3 (7) For a grant recipient that enrolls pupils in a GSRP/Head
4 Start blended program, the grant recipient shall ensure that all
5 Head Start and GSRP policies and regulations are applied to the
6 blended slots, with adherence to the highest standard from either
7 program, to the extent allowable under federal law.

8 (8) An intermediate district or consortium of intermediate
9 districts receiving a grant under this section shall designate an
10 early childhood coordinator, and may provide services directly or
11 may contract with 1 or more districts or public or private for-
12 profit or nonprofit providers that meet all requirements of
13 subsections (4) and (5).

14 (9) An intermediate district or consortium of intermediate
15 districts may retain for administrative services provided by the
16 intermediate district or consortium of intermediate districts an
17 amount not to exceed 4% of the grant amount. Expenses incurred by
18 subrecipients engaged by the intermediate district or consortium of
19 intermediate districts for directly running portions of the program
20 shall be considered program costs or a contracted program fee for
21 service.

22 (10) An intermediate district or consortium of intermediate
23 districts may expend not more than 2% of the total grant amount for
24 outreach, recruiting, and public awareness of the program.

25 (11) Each grant recipient shall enroll children identified
26 under subsection (5)(b) according to how far the child's household
27 income is below 250% of the federal poverty level by ranking each

1 applicant child's household income from lowest to highest and
2 dividing the applicant children into quintiles based on how far the
3 child's household income is below 250% of the federal poverty
4 level, and then enrolling children in the quintile with the lowest
5 household income before enrolling children in the quintile with the
6 next lowest household income until slots are completely filled. If
7 the grant recipient determines that all eligible children are being
8 served and that there are no children on the waiting list who live
9 with families with a household income that is equal to or less than
10 250% of the federal poverty level, the grant recipient may then
11 enroll children who live with families with a household income that
12 is equal to or less than 300% of the federal poverty level. The
13 enrollment process shall consider income and risk factors, such
14 that children determined with higher need are enrolled before
15 children with lesser need. For purposes of this subdivision, all
16 age-eligible children served in foster care or who are experiencing
17 homelessness or who have individualized education plans
18 recommending placement in an inclusive preschool setting shall be
19 considered to live with families with household income equal to or
20 less than 250% of the federal poverty level regardless of actual
21 family income and shall be prioritized for enrollment within the
22 lowest quintile.

23 (12) An intermediate district or consortium of intermediate
24 districts receiving a grant under this section shall allow parents
25 of eligible children who are residents of the intermediate district
26 or within the consortium to choose a program operated by or
27 contracted with another intermediate district or consortium of

1 intermediate districts and shall enter into a written agreement
2 regarding payment, in a manner prescribed by the department.

3 (13) An intermediate district or consortium of intermediate
4 districts receiving a grant under this section shall conduct a
5 local process to contract with interested and eligible public and
6 private for-profit and nonprofit community-based providers that
7 meet all requirements of subsection (4) for at least 30% of its
8 total allocation. For the purposes of this 30% allocation, an
9 intermediate district or consortium of intermediate districts may
10 count children served by a Head Start grantee or delegate in a
11 blended Head Start and great start readiness school-day program.
12 Children served in a program funded only through Head Start shall
13 not be counted toward this 30% allocation. The intermediate
14 district or consortium shall report to the department, in a manner
15 prescribed by the department, a detailed list of community-based
16 providers by provider type, including private for-profit, private
17 nonprofit, community college or university, Head Start grantee or
18 delegate, and district or intermediate district, and the number and
19 proportion of its total allocation allocated to each provider as
20 subrecipient. If the intermediate district or consortium is not
21 able to contract for at least 30% of its total allocation, the
22 grant recipient shall notify the department and, if the department
23 verifies that the intermediate district or consortium attempted to
24 contract for at least 30% of its total allocation and was not able
25 to do so, then the intermediate district or consortium may retain
26 and use all of its allocation as provided under this section. To be
27 able to use this exemption, the intermediate district or consortium

1 shall demonstrate to the department that the intermediate district
2 or consortium increased the percentage of its total allocation for
3 which it contracts with a community-based provider and the
4 intermediate district or consortium shall submit evidence
5 satisfactory to the department, and the department must be able to
6 verify this evidence, demonstrating that the intermediate district
7 or consortium took measures to contract for at least 30% of its
8 total allocation as required under this subsection, including, but
9 not limited to, at least all of the following measures:

10 (a) The intermediate district or consortium notified each
11 nonparticipating licensed child care center located in the service
12 area of the intermediate district or consortium regarding the
13 center's eligibility to participate, in a manner prescribed by the
14 department.

15 (b) The intermediate district or consortium provided to each
16 nonparticipating licensed child care center located in the service
17 area of the intermediate district or consortium information
18 regarding great start readiness program requirements and a
19 description of the application and selection process for community-
20 based providers.

21 (c) The intermediate district or consortium provided to the
22 public and to participating families a list of community-based
23 great start readiness program subrecipients with a great start to
24 quality rating of at least 3 stars.

25 (14) If an intermediate district or consortium of intermediate
26 districts receiving a grant under this section fails to submit
27 satisfactory evidence to demonstrate its effort to contract for at

1 least 30% of its total allocation, as required under subsection
2 (13), the department shall reduce the allocation to the
3 intermediate district or consortium by a percentage equal to the
4 difference between the percentage of an intermediate district's or
5 consortium's total allocation awarded to community-based providers
6 and 30% of its total allocation.

7 (15) In order to assist intermediate districts and consortia
8 in complying with the requirement to contract with community-based
9 providers for at least 30% of their total allocation, the
10 department shall do all of the following:

11 (a) Ensure that a great start resource center or the
12 department provides each intermediate district or consortium
13 receiving a grant under this section with the contact information
14 for each licensed child care center located in the service area of
15 the intermediate district or consortium by March 1 of each year.

16 (b) Provide, or ensure that an organization with which the
17 department contracts provides, a community-based provider with a
18 validated great start to quality rating within 90 days of the
19 provider's having submitted a request and self-assessment.

20 (c) Ensure that all intermediate district, district, community
21 college or university, Head Start grantee or delegate, private for-
22 profit, and private nonprofit providers are subject to a single
23 great start to quality rating system. The rating system shall
24 ensure that regulators process all prospective providers at the
25 same pace on a first-come, first-served basis and shall not allow 1
26 type of provider to receive a great start to quality rating ahead
27 of any other type of provider.

1 (d) Not later than December 1 of each year, compile the
2 results of the information reported by each intermediate district
3 or consortium under subsection (13) and report to the legislature a
4 list by intermediate district or consortium with the number and
5 percentage of each intermediate district's or consortium's total
6 allocation allocated to community-based providers by provider type,
7 including private for-profit, private nonprofit, community college
8 or university, Head Start grantee or delegate, and district or
9 intermediate district.

10 (16) A recipient of funds under this section shall report to
11 the center in a form and manner prescribed by the center the
12 **INFORMATION NECESSARY TO DERIVE THE** number of children
13 participating in the program who meet the ~~income~~-**PROGRAM**
14 eligibility criteria under subsection (5) (b), **THE NUMBER OF**
15 **ELIGIBLE CHILDREN NOT PARTICIPATING IN THE PROGRAM AND ON A**
16 **WAITLIST**, and the total number of children participating in the
17 program **BY VARIOUS DEMOGRAPHIC GROUPS AND ELIGIBILITY FACTORS**
18 **NECESSARY TO ANALYZE EQUITABLE AND PRIORITY ACCESS TO SERVICES FOR**
19 **THE PURPOSES OF SUBSECTION (3)**.

20 (17) As used in this section:

21 (a) "GSRP/Head Start blended program" means a part-day program
22 funded under this section and a Head Start program, which are
23 combined for a school-day program.

24 (b) "Part-day program" means a program that operates at least
25 4 days per week, 30 weeks per year, for at least 3 hours of
26 teacher-child contact time per day but for fewer hours of teacher-
27 child contact time per day than a school-day program.

1 (c) "School-day program" means a program that operates for at
2 least the same length of day as a district's first grade program
3 for a minimum of 4 days per week, 30 weeks per year. A classroom
4 that offers a school-day program must enroll all children for the
5 school day to be considered a school-day program.

6 (18) An intermediate district or consortium of intermediate
7 districts receiving funds under this section shall establish and
8 charge tuition according to a sliding scale of tuition rates based
9 upon household income for children participating in an eligible
10 great start readiness program who live with families with a
11 household income that is more than 250% of the federal poverty
12 level to be used by all of its providers, as approved by the
13 department.

14 (19) From the amount appropriated in subsection (1), there is
15 allocated an amount not to exceed \$10,000,000.00 for reimbursement
16 of transportation costs for children attending great start
17 readiness programs funded under this section. To receive
18 reimbursement under this subsection, not later than November 1,
19 2018, a program funded under this section that provides
20 transportation shall submit to the intermediate district that is
21 the fiscal agent for the program a projected transportation budget.
22 The amount of the reimbursement for transportation under this
23 subsection shall be no more than the projected transportation
24 budget or \$300.00 multiplied by the number of children funded for
25 the program under this section. If the amount allocated under this
26 subsection is insufficient to fully reimburse the transportation
27 costs for all programs that provide transportation and submit the

1 required information, the reimbursement shall be prorated in an
2 equal amount per child funded. Payments shall be made to the
3 intermediate district that is the fiscal agent for each program,
4 and the intermediate district shall then reimburse the program
5 provider for transportation costs as prescribed under this
6 subsection.

7 (20) Subject to, and from the funds allocated under,
8 subsection (19), the department shall reimburse a program for
9 transportation costs related to parent- or guardian-accompanied
10 transportation provided by transportation service companies, buses,
11 or other public transportation services. To be eligible for
12 reimbursement under this subsection, a program must ~~be a community-~~
13 ~~based provider and must submit to the department~~ **INTERMEDIATE**
14 **DISTRICT OR CONSORTIA OF INTERMEDIATE DISTRICTS** all of the
15 following:

16 (a) The names of families provided with transportation support
17 along with a documented reason for the need for transportation
18 support and the type of transportation provided.

19 (b) Financial documentation of actual transportation costs
20 incurred by the program, including, but not limited to, receipts
21 and mileage reports, as determined by the department.

22 (c) Any other documentation or information determined
23 necessary by the department.

24 (21) The department shall implement a process to review and
25 approve age-appropriate comprehensive classroom level quality
26 assessments for GSRP grantees that support the early childhood
27 standards of quality for prekindergarten children adopted by the

1 state board. The department shall make available to intermediate
2 districts at least 2 classroom level quality assessments that were
3 approved in 2018.

4 (22) An intermediate district that is a GSRP grantee may
5 approve the use of a supplemental curriculum that aligns with and
6 enhances the age-appropriate educational curriculum in the
7 classroom. If the department objects to the use of a supplemental
8 curriculum approved by an intermediate district, the superintendent
9 of public instruction shall establish a review committee
10 independent of the department. The review committee shall meet
11 within 60 days of the department registering its objection in
12 writing and provide a final determination on the validity of the
13 objection within 60 days of the review committee's first meeting.

14 (23) The department shall implement a process to evaluate and
15 approve age-appropriate educational curricula that are in
16 compliance with the early childhood standards of quality for
17 prekindergarten children adopted by the state board.

18 (24) From the funds allocated under subsection (1), there is
19 allocated an amount not to exceed ~~\$1,000,000.00~~ **\$2,000,000.00** for
20 payments to intermediate districts or consortia of intermediate
21 districts for professional development **AND TRAINING MATERIALS** for
22 educators in programs implementing new curricula in 2019-2020.

23 (25) A great start readiness program or a GSRP/Head Start
24 blended program funded under this section shall be permitted to
25 utilize AmeriCorps Pre-K Reading Corps members in classrooms
26 implementing research-based early literacy intervention strategies.

27 Sec. 35a. (1) From the appropriations in section 11, there is

1 allocated for 2018-2019 for the purposes of this section an amount
2 not to exceed ~~\$26,900,000.00~~ **\$27,900,000.00** from the state school
3 aid fund and an amount not to exceed ~~\$3,000,000.00~~ **\$3,500,000.00**
4 from the general fund. The superintendent shall designate staff or
5 contracted employees funded under this section as critical
6 shortage. Programs funded under this section are intended to ensure
7 that this state will be in the top 10 most improved states in grade
8 4 reading proficiency by the 2019 National Assessment of
9 Educational Progress (NAEP) and will be in the top 10 states
10 overall in grade 4 reading proficiency by 2025.

11 (2) A district that receives funds under subsection (5) may
12 spend up to 5% of those funds for professional development for
13 educators in a department-approved research-based training program
14 related to current state literacy standards for pupils in grades K
15 to 3. The professional development shall also include training in
16 the use of screening and diagnostic tools, progress monitoring, and
17 intervention methods used to address barriers to learning and
18 delays in learning that are diagnosed through the use of these
19 tools.

20 (3) A district that receives funds under subsection (5) may
21 use up to 5% of those funds to administer department-approved
22 screening and diagnostic tools to monitor the development of early
23 literacy and early reading skills of pupils in grades K to 3 and to
24 support research-based professional development for educators in
25 administering screening and diagnostic tools and in data
26 interpretation of the results obtained through the use of those
27 tools for the purpose of implementing a multi-tiered system of

1 support to improve reading proficiency among pupils in grades K to
2 3. A department-approved screening and diagnostic tool administered
3 by a district using funding under this section must include all of
4 the following components: phonemic awareness, phonics, fluency, and
5 comprehension. Further, all of the following sub-skills must be
6 assessed within each of these components:

7 (a) Phonemic awareness - segmentation, blending, and sound
8 manipulation (deletion and substitution).

9 (b) Phonics - decoding (reading) and encoding (spelling).

10 (c) Fluency - reading rate, accuracy, and expression.

11 (d) Comprehension - making meaning of text.

12 (4) From the allocations under subsection (1), there is
13 allocated an amount not to exceed \$7,000,000.00 for 2018-2019 for
14 the purpose of providing early literacy coaches at intermediate
15 districts to assist teachers in developing and implementing
16 instructional strategies for pupils in grades K to 3 so that pupils
17 are reading at grade level by the end of grade 3. All of the
18 following apply to funding under this subsection:

19 (a) The department shall develop an application process
20 consistent with the provisions of this subsection. An application
21 shall provide assurances that literacy coaches funded under this
22 subsection are knowledgeable about at least the following:

23 (i) Current state literacy standards for pupils in grades K to
24 3.

25 (ii) Implementing an instructional delivery model based on
26 frequent use of formative, screening, and diagnostic tools, known
27 as a multi-tiered system of support, to determine individual

1 progress for pupils in grades K to 3 so that pupils are reading at
2 grade level by the end of grade 3.

3 (iii) The use of data from diagnostic tools to determine the
4 necessary additional supports and interventions needed by
5 individual pupils in grades K to 3 in order to be reading at grade
6 level.

7 (b) From the allocation under this subsection, the department
8 shall award grants to intermediate districts for the support of
9 early literacy coaches. An intermediate district must provide
10 matching funds for at least 50% of the grant amount awarded to
11 support the cost of the literacy coach. The department shall
12 provide this funding in the following manner:

13 (i) Each intermediate district shall be awarded grant funding
14 to support the cost of 1 early literacy coach in an equal amount
15 per early literacy coach, not to exceed \$75,000.00.

16 (ii) After distribution of the grant funding under
17 subparagraph (i), the department shall distribute the remainder of
18 grant funding for additional early literacy coaches in an amount
19 not to exceed \$75,000.00 per early literacy coach. The number of
20 funded early literacy coaches for each intermediate district shall
21 be based on the percentage of the total statewide number of pupils
22 in grades K to 3 who meet the income eligibility standards for the
23 federal free and reduced-price lunch programs who are enrolled in
24 districts in the intermediate district. For each additional early
25 literacy coach funded under this subparagraph, the department shall
26 not make an award to an intermediate district under this
27 subparagraph in an amount that is less than the amount necessary to

1 pay 1/2 of the total cost of that additional early literacy coach.

2 (5) From the allocations under subsection (1), there is
3 allocated an amount not to exceed \$19,900,000.00 for 2018-2019 to
4 districts that provide additional instructional time to those
5 pupils in grades K to 3 who have been identified by using
6 department-approved screening and diagnostic tools as needing
7 additional supports and interventions in order to be reading at
8 grade level by the end of grade 3. Additional instructional time
9 may be provided before, during, and after regular school hours or
10 as part of a year-round balanced school calendar. All of the
11 following apply to funding under this subsection:

12 (a) In order to be eligible to receive funding, a district
13 shall demonstrate to the satisfaction of the department that the
14 district has done all of the following:

15 (i) Implemented a multi-tiered system of support instructional
16 delivery model that is an evidence-based model that uses data-
17 driven problem solving to integrate academic and behavioral
18 instruction and that uses intervention delivered to all pupils in
19 varying intensities based on pupil needs. The multi-tiered system
20 of supports must provide at least all of the following essential
21 components:

22 (A) Team-based leadership.

23 (B) A tiered delivery system.

24 (C) Selection and implementation of instruction,
25 interventions, and supports.

26 (D) A comprehensive screening and assessment system.

27 (E) Continuous data-based decision making.

1 (ii) Used department-approved research-based diagnostic tools
2 to identify individual pupils in need of additional instructional
3 time.

4 (iii) Used a reading instruction method that focuses on the 5
5 fundamental building blocks of reading: phonics, phonemic
6 awareness, fluency, vocabulary, and comprehension and content
7 knowledge.

8 (iv) Provided teachers of pupils in grades K to 3 with
9 research-based professional development in diagnostic data
10 interpretation.

11 (v) Complied with the requirements under section 1280f of the
12 revised school code, MCL 380.1280f.

13 (b) Funding allocated under this subsection shall be
14 distributed to eligible districts on an equal per-first-grade-pupil
15 basis.

16 (c) If the funds allocated under this subsection are
17 insufficient to fully fund the payments under this subsection,
18 payments under this subsection shall be prorated on an equal per-
19 pupil basis based on grade 1 pupils.

20 (6) Not later than September 1, 2019, a district that receives
21 funding under this section, in conjunction with the Michigan data
22 hub network, if possible, shall provide to the department a report
23 that includes at least both of the following, in a form and manner
24 prescribed by the department:

25 (a) For pupils in grades K to 3, the pupils, schools, and
26 grades served with funds under this section and the categories of
27 services provided.

1 (b) For pupils in grades K to 3, pupil proficiency and growth
2 data that allows analysis both in the aggregate and by each of the
3 following subgroups, as applicable:

4 (i) School.

5 (ii) Grade level.

6 (iii) Gender.

7 (iv) Race.

8 (v) Ethnicity.

9 (vi) Economically disadvantaged status.

10 (vii) Disability.

11 (viii) Pupils identified as having reading deficiencies.

12 (7) From the general fund money allocated in subsection (1),
13 the department shall allocate the amount of ~~\$2,500,000.00~~
14 **\$3,000,000.00** for 2018-2019 to the Michigan Education Corps for the
15 PreK Reading Corps, the K3 Reading Corps, and the Math Corps. All
16 of the following apply to funding under this subsection:

17 (a) By September 1 of the current fiscal year, the Michigan
18 Education Corps shall provide a report concerning its use of the
19 funding to the senate and house appropriations subcommittees on
20 state school aid, the senate and house fiscal agencies, and the
21 senate and house caucus policy offices on outcomes and performance
22 measures of the Michigan Education Corps, including, but not
23 limited to, the degree to which the Michigan Education Corps's
24 replication of the Michigan PreK Reading Corps, K3 Reading Corps,
25 and Math Corps programs is demonstrating sufficient efficacy and
26 impact. The report must include data pertaining to at least all of
27 the following:

1 (i) The current impact of the programs on this state in terms
2 of numbers of children and schools receiving support. This portion
3 of the report shall specify the number of children tutored,
4 including dosage and completion, and the demographics of those
5 children.

6 (ii) Whether the assessments and interventions are implemented
7 with fidelity. This portion of the report shall include details on
8 the total number of assessments and interventions completed and the
9 range, mean, and standard deviation.

10 (iii) Whether the literacy or math improvement of children
11 participating in the programs is consistent with expectations. This
12 portion of the report shall detail at least all of the following:

13 (A) Growth rate by grade or age level, in comparison to
14 targeted growth rate.

15 (B) Average linear growth rates.

16 (C) Exit rates.

17 (D) Percentage of children who exit who also meet or exceed
18 spring benchmarks.

19 (iv) The impact of the programs on organizations and
20 stakeholders, including, but not limited to, school administrators,
21 internal coaches, and AmeriCorps members.

22 (b) If the department determines that the Michigan Education
23 Corps has misused the funds allocated under this subsection, the
24 Michigan Education Corps shall reimburse this state for the amount
25 of state funding misused.

26 (c) The department may not reserve any portion of the
27 allocation provided under this subsection for an evaluation of the

1 Michigan Education Corps, the Michigan Education Corps' funding, or
2 the Michigan Education Corps' programming unless agreed to in
3 writing by the Michigan Education Corps. The department shall award
4 the entire ~~\$2,500,000.00~~ **\$3,000,000.00** allocated under this
5 subsection to the Michigan Education Corps and shall not condition
6 the awarding of this funding on the implementation of an
7 independent evaluation.

8 (8) From the general fund money allocated under subsection
9 (1), there is allocated an amount not to exceed \$500,000.00 for
10 2018-2019 for a grant to an eligible program that has a goal to
11 slow or prevent the K to 4 summer reading slide among all pupils
12 enrolled in grades K to 4, particularly those from economically
13 disadvantaged households. Funds allocated under this subsection are
14 grant funds and must be distributed by the department. A program is
15 eligible if it meets at least all of the following:

16 (a) The program's objective is to deliver a bilingual, in-
17 home, individualized summer reading program consisting of self-
18 selected, independent reading level books to K to 4 pupils each
19 week during the summer.

20 (b) Is evaluated quantitatively and qualitatively using pre-
21 and post-standardized test score comparison and parent and school
22 surveys specific to each district.

23 (c) Incorporates at least weekly interactive parental and
24 family engagement during the summer.

25 (d) Builds on pedagogical and literacy principles to scaffold
26 fluency to improve reading comprehension with pupil exercises.

27 (e) Provides at least 4, and up to 9, student-selected new

1 books to read and keep.

2 (f) Collects, analyzes, and reports detailed data on parental
3 engagement, books read, and spring-to-fall reading scores.

4 (g) Follows the department's top 10 in 10 goals and
5 strategies, with an emphasis on goals 4 and 5.

6 (h) Focuses on in-home program delivery through weekly
7 mailings.

8 (i) Provides summary data to the legislature and to the
9 department for all pupils served by the program after each summer.

10 **(9) FROM THE STATE SCHOOL AID FUND MONEY ALLOCATED UNDER**
11 **SUBSECTION (1), THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED**
12 **\$1,000,000.00 FOR 2018-2019 TO AN INTERMEDIATE DISTRICT IN WHICH**
13 **THE COMBINED TOTAL NUMBER OF PUPILS IN MEMBERSHIP OF ALL OF ITS**
14 **CONSTITUENT DISTRICTS IS THE FEWEST AMONG ALL INTERMEDIATE**
15 **DISTRICTS. ALL OF THE FOLLOWING APPLY TO THE FUNDING UNDER THIS**
16 **SUBSECTION:**

17 **(A) FUNDING UNDER THIS SUBSECTION MUST BE USED BY THE**
18 **INTERMEDIATE DISTRICT, IN PARTNERSHIP WITH AN ASSOCIATION THAT**
19 **REPRESENTS INTERMEDIATE DISTRICT ADMINISTRATORS IN THIS STATE, TO**
20 **IMPLEMENT BOTH OF THE FOLLOWING:**

21 **(i) LITERACY ESSENTIALS TEACHER AND PRINCIPAL TRAINING**
22 **MODULES.**

23 **(ii) FACE-TO-FACE AND ONLINE PROFESSIONAL LEARNING OF LITERACY**
24 **ESSENTIALS TEACHER AND PRINCIPAL TRAINING MODULES FOR LITERACY**
25 **COACHES, PRINCIPALS, AND TEACHERS.**

26 **(B) NOT LATER THAN SEPTEMBER 1 OF EACH YEAR, THE INTERMEDIATE**
27 **DISTRICT DESCRIBED IN THIS SUBSECTION, IN CONSULTATION WITH GRANT**

1 RECIPIENTS, SHALL SUBMIT A REPORT TO THE CHAIRS OF THE SENATE AND
2 HOUSE APPROPRIATIONS SUBCOMMITTEES ON STATE SCHOOL AID AND THE
3 CHAIRS OF THE SENATE AND HOUSE STANDING COMMITTEES RESPONSIBLE FOR
4 EDUCATION LEGISLATION. THE REPORT DESCRIBED UNDER THIS SUBDIVISION
5 MUST INCLUDE STUDENT ACHIEVEMENT RESULTS IN ENGLISH LANGUAGE ARTS
6 AND SURVEY RESULTS WITH FEEDBACK FROM PARENTS AND TEACHERS
7 REGARDING THE INITIATIVES IMPLEMENTED UNDER THIS SUBSECTION.

8 (10) NOTWITHSTANDING SECTION 17B, PAYMENTS MADE UNDER
9 SUBSECTION (9) SHALL BE MADE NOT LATER THAN MARCH 1, 2019.

10 Sec. 35b. (1) From the ~~funds~~ **GENERAL FUND MONEY** appropriated
11 in section 11, there is allocated for 2018-2019 an amount not to
12 exceed \$250,000.00 for a grant to be distributed by the department
13 to an ~~eligible district~~ **THE CHILDREN'S CHOICE INITIATIVE** to create
14 a pilot program to use a multisensory structured language education
15 method to improve reading proficiency rates and to comply with
16 section 1280f of the revised school code, MCL 380.1280f.

17 ~~—— (2) A district is eligible for a grant under this section if~~
18 ~~all of the following are met:~~

19 ~~—— (a) A dyslexia center accredited by the International~~
20 ~~Multisensory Structured Language Education Council is located in~~
21 ~~the district.~~

22 ~~—— (b) The district partners with the dyslexia center described~~
23 ~~in subdivision (a) to provide multisensory structured language~~
24 ~~education for pupils in grades K to 3 identified as having an early~~
25 ~~literacy delay or reading deficiency.~~

26 ~~—— (c) The district has a pupil membership greater than 7,000 and~~
27 ~~less than 8,000.~~

1 (2) ~~(3) A district may expend grant~~ **GRANT** funds awarded under
 2 this section, ~~in collaboration with the dyslexia center described~~
 3 ~~in subsection (2) (a),~~ **MUST BE EXPENDED** for the following purposes:

4 (a) Professional development including training staff and
 5 tutors in ~~the~~ **A** multisensory, sequential, systematic education
 6 approach. ~~used by the dyslexia center.~~

7 (b) Additional instructional time before, during, or after
 8 school for pupils in grades K to 3 identified as having an early
 9 literacy delay or reading deficiency using ~~the~~ **A** multisensory,
 10 sequential, systematic education approach. ~~used by the dyslexia~~
 11 ~~center.~~

12 (3) ~~(4)~~ Not later than December 1, 2020, ~~a district~~ **AN ENTITY**
 13 that receives grant funds under this section shall report to the
 14 house and senate appropriations subcommittees on school aid, the
 15 house and senate fiscal agencies, and the state budget director on
 16 all of the following for the grant funds awarded under this
 17 section:

18 (a) The number of staff and tutors trained.

19 (b) The number of pupils in grades K to 3 identified as having
 20 an early literacy delay or reading deficiency served.

21 (c) The number of hours of added instructional time provided
 22 to pupils served.

23 (d) Pupil reading proficiency and growth data of pupils served
 24 necessary to evaluate the effectiveness of the program.

25 Sec. 39a. (1) From the federal funds appropriated in section
 26 11, there is allocated for 2018-2019 to districts, intermediate
 27 districts, and other eligible entities all available federal

1 funding, estimated at \$730,600,000.00 for the federal programs
2 under the no child left behind act of 2001, Public Law 107-110, or
3 the every student succeeds act, Public Law 114-95. These funds are
4 allocated as follows:

5 (a) An amount estimated at \$1,200,000.00 for 2018-2019 to
6 provide students with drug- and violence-prevention programs and to
7 implement strategies to improve school safety, funded from DED-
8 OESE, drug-free schools and communities funds.

9 (b) An amount estimated at \$100,000,000.00 for 2018-2019 for
10 the purpose of preparing, training, and recruiting high-quality
11 teachers and class size reduction, funded from DED-OESE, improving
12 teacher quality funds.

13 (c) An amount estimated at \$11,000,000.00 for 2018-2019 for
14 programs to teach English to limited English proficient (LEP)
15 children, funded from DED-OESE, language acquisition state grant
16 funds.

17 (d) An amount estimated at \$2,800,000.00 for 2018-2019 for
18 rural and low income schools, funded from DED-OESE, rural and low
19 income school funds.

20 (e) An amount estimated at \$535,000,000.00 for 2018-2019 to
21 provide supplemental programs to enable educationally disadvantaged
22 children to meet challenging academic standards, funded from DED-
23 OESE, title I, disadvantaged children funds.

24 (f) An amount estimated at \$9,200,000.00 for 2018-2019 for the
25 purpose of identifying and serving migrant children, funded from
26 DED-OESE, title I, migrant education funds.

27 (g) An amount estimated at \$39,000,000.00 for 2018-2019 for

1 the purpose of providing high-quality extended learning
2 opportunities, after school and during the summer, for children in
3 low-performing schools, funded from DED-OESE, twenty-first century
4 community learning center funds.

5 (h) An amount estimated at \$12,000,000.00 for 2018-2019 to
6 help support local school improvement efforts, funded from DED-
7 OESE, title I, local school improvement grants.

8 (i) An amount estimated at \$15,400,000.00 for 2018-2019 to
9 improve the academic achievement of students, funded from DED-OESE,
10 title IV, student support and academic enrichment grants.

11 (j) An amount estimated at \$5,000,000.00 for 2018-2019 for the
12 remaining balance of the amount appropriated under the former
13 section 32r, for federal funding awarded to this state under
14 sections 14005, 14006, and 14013 of title XIV of the American
15 recovery and reinvestment act of 2009, Public Law 111-5, for the
16 race to the top early learning challenge grant.

17 (2) From the federal funds appropriated in section 11, there
18 is allocated for 2018-2019 to districts, intermediate districts,
19 and other eligible entities all available federal funding,
20 estimated at ~~\$30,000,000.00~~ **\$51,200,000.00** for 2018-2019 for the
21 following programs that are funded by federal grants:

22 (a) An amount estimated at \$100,000.00 for 2018-2019 for
23 acquired immunodeficiency syndrome education grants, funded from
24 HHS - Centers for Disease Control and Prevention, AIDS funding.

25 (b) An amount estimated at \$1,900,000.00 for 2018-2019 to
26 provide services to homeless children and youth, funded from DED-
27 OVAE, homeless children and youth funds.

1 (c) An amount estimated at \$4,000,000.00 for 2018-2019 to
2 provide mental health, substance abuse, or violence prevention
3 services to students, funded from HHS-SAMHSA.

4 (d) An amount estimated at \$24,000,000.00 for 2018-2019 for
5 providing career and technical education services to pupils, funded
6 from DED-OVAE, basic grants to states.

7 **(E) AN AMOUNT ESTIMATED AT \$14,000,000.00 FOR 2018-2019 FOR**
8 **THE MICHIGAN CHARTER SCHOOL SUBGRANT PROGRAM, FUNDED FROM DED-OII,**
9 **PUBLIC CHARTER SCHOOLS PROGRAM FUNDS.**

10 **(F) AN AMOUNT ESTIMATED AT \$7,200,000.00 FOR 2018-2019 FOR THE**
11 **PURPOSE OF PROMOTING AND EXPANDING HIGH-QUALITY PRESCHOOL SERVICES,**
12 **FUNDED FROM HHS-OCC, PRESCHOOL DEVELOPMENT FUNDS.**

13 (3) All federal funds allocated under this section shall be
14 distributed in accordance with federal law and with flexibility
15 provisions outlined in Public Law 107-116, and in the education
16 flexibility partnership act of 1999, Public Law 106-25.

17 Notwithstanding section 17b, payments of federal funds to
18 districts, intermediate districts, and other eligible entities
19 under this section shall be paid on a schedule determined by the
20 department.

21 (4) For the purposes of applying for federal grants
22 appropriated under this article, the department shall allow an
23 intermediate district to submit a consortium application on behalf
24 of 2 or more districts with the agreement of those districts as
25 appropriate according to federal rules and guidelines.

26 (5) For the purposes of funding federal title I grants under
27 this article, in addition to any other federal grants for which a

1 strict discipline academy is eligible, the department shall
2 allocate to strict discipline academies out of title I, part A
3 funds equal to what a strict discipline academy would have received
4 if included and calculated under title I, part D, or what it would
5 receive under the formula allocation under title I, part A,
6 whichever is greater.

7 (6) As used in this section:

8 (a) "DED" means the United States Department of Education.

9 (b) "DED-OESE" means the DED Office of Elementary and
10 Secondary Education.

11 **(C) "DED-OII" MEANS THE DED OFFICE OF INNOVATION AND**
12 **IMPROVEMENT.**

13 **(D) ~~(e)~~"DED-OVAE" means the DED Office of Vocational and**
14 **Adult Education.**

15 **(E) ~~(d)~~"HHS" means the United States Department of Health and**
16 **Human Services.**

17 **(F) "HHS-OCC" MEANS THE HHS OFFICE OF CHILD CARE.**

18 **(G) ~~(e)~~"HHS-SAMHSA" means the HHS Substance Abuse and Mental**
19 **Health Services Administration.**

20 **SEC. 61F. (1) FROM THE FUNDS APPROPRIATED UNDER SECTION 11,**
21 **THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$200,000.00 FOR 2018-**
22 **2019 FOR A GRANT TO SUPPORT A PROGRAM THAT IS AN INNOVATIVE**
23 **RETENTION AND COMPLETION PROGRAM DESIGNED TO CREATE A SEAMLESS**
24 **EDUCATIONAL AND CAREER PATHWAY SUPPORT STRUCTURE AND THAT DOES AT**
25 **LEAST ALL OF THE FOLLOWING:**

26 **(A) CREATES A PIPELINE FROM KINDERGARTEN TO A COLLEGE**
27 **CREDENTIAL.**

1 (B) PROVIDES COACHING AT ALL LEVELS OF K-12 EDUCATION TO
2 FOSTER AN ENVIRONMENT THAT EDUCATES PUPILS ON THE AVAILABILITY AND
3 POSITIVE OUTCOMES FROM POSTSECONDARY EDUCATION.

4 (C) INTRODUCES CAREER CLUSTERS TO ELEMENTARY SCHOOL PUPILS,
5 CAREER PATHWAYS TO MIDDLE SCHOOL PUPILS, AND DEVELOPS PUPIL SUCCESS
6 PLANS FOR HIGH SCHOOL PUPILS.

7 (D) PROVIDES FAMILY LITERACY SESSIONS.

8 (E) PROVIDES A SUMMER BRIDGE PROGRAM TO ENSURE SEAMLESS
9 TRANSITION FROM HIGH SCHOOL TO POSTSECONDARY EDUCATIONAL
10 OPPORTUNITIES.

11 (F) INTRODUCES K-12 PUPILS TO COLLEGE AND CAREER OPPORTUNITIES
12 AT POSTSECONDARY CAMPUSES AND BRIDGES THOSE PUPILS INTO THE
13 RESPECTIVE POSTSECONDARY INSTITUTIONS FOR COURSEWORK.

14 (G) CREATES A PARTNERSHIP BETWEEN AREA DISTRICTS, A COMMUNITY
15 COLLEGE, AND A PUBLIC UNIVERSITY TO SERVE PUPILS IN THE PROGRAM.

16 (H) SYNCHRONIZES FAMILIES AND PUPILS TO ASSESS AND UNDERSTAND
17 THEIR KNOWLEDGE OF HOW TO BE SUCCESSFUL IN SCHOOL AND WORK.

18 (2) THE DEPARTMENT SHALL DISTRIBUTE THE FUNDS AWARDED UNDER
19 SUBSECTION (1) NOT LATER THAN FEBRUARY 15, 2019 TO MOTT COMMUNITY
20 COLLEGE TO IMPLEMENT THE PROGRAM UNDER THIS SECTION. FUNDS
21 ALLOCATED UNDER THIS SECTION MAY BE USED FOR SALARIES AND BENEFITS,
22 SUPPLY AND PROGRAMMING COSTS, AND GAP SCHOLARSHIPS.

23 SEC. 61G. (1) FROM THE FUNDS APPROPRIATED UNDER SECTION 11,
24 THERE IS ALLOCATED FOR 2018-2019 AN AMOUNT NOT TO EXCEED \$50,000.00
25 FOR A GRANT TO AN ELIGIBLE INTERMEDIATE DISTRICT FOR THE EXPANSION
26 OF PROGRAMS FOR HIGH-DEMAND FUTURE JOBS AS PRESCRIBED UNDER THIS
27 SECTION.

1 (2) AN INTERMEDIATE DISTRICT IS ELIGIBLE FOR FUNDS UNDER THIS
2 SECTION IF THE INTERMEDIATE DISTRICT MEETS ALL OF THE FOLLOWING:

3 (A) THE TOTAL COMBINED MEMBERSHIPS OF ITS CONSTITUENT
4 DISTRICTS IS AT LEAST 20,000 AND NOT MORE THAN 30,000.

5 (B) THE INTERMEDIATE DISTRICT IS LOCATED IN PROSPERITY REGION
6 6.

7 (C) THE INTERMEDIATE DISTRICT AGREES TO PROVIDE A 100% MATCH
8 OF THE FUNDING IT RECEIVES UNDER THIS SECTION.

9 (3) AN INTERMEDIATE DISTRICT THAT RECEIVES FUNDS UNDER THIS
10 SECTION SHALL USE THE FUNDS FOR START-UP COSTS, INCLUDING THE
11 PURCHASE OF TOOLS, EQUIPMENT, HARDWARE, SOFTWARE, FURNITURE, AND
12 SUPPLIES FOR ENERGY TECHNOLOGY AND CYBERSECURITY PROGRAMS.

13 (4) NOTWITHSTANDING SECTION 17B, PAYMENTS MADE UNDER THIS
14 SECTION SHALL BE MADE NOT LATER THAN MARCH 1, 2019.

15 SEC. 61H. (1) FROM THE FUNDS ALLOCATED UNDER SECTION 11, THERE
16 IS ALLOCATED AN AMOUNT NOT TO EXCEED \$1,200,000.00 FOR 2018-2019 TO
17 AN ELIGIBLE INTERMEDIATE DISTRICT TO ACT AS THE FISCAL AGENT IN
18 SUPPORT OF THE STATEWIDE VIRTUAL REALITY TRAINING INITIATIVE
19 DESCRIBED IN SUBSECTION (2). AN INTERMEDIATE DISTRICT IS ELIGIBLE
20 FOR FUNDING UNDER THIS SECTION IF IT MEETS BOTH OF THE FOLLOWING:

21 (A) THE COMBINED TOTAL MEMBERSHIP OF ITS CONSTITUENT DISTRICTS
22 IS AT LEAST 10,000 AND NOT MORE THAN 11,000.

23 (B) THE INTERMEDIATE DISTRICT IS LOCATED IN PROSPERITY REGION
24 6.

25 (2) THE STATEWIDE VIRTUAL REALITY TRAINING INITIATIVE
26 SUPPORTED BY FUNDING UNDER THIS SECTION IS A COLLABORATIVE EFFORT
27 BETWEEN PRIVATE AND PUBLIC SECTOR GROUPS TO PROVIDE TRAINING

1 OPPORTUNITIES IN TARGETED AREAS, AND SHALL DO ALL OF THE FOLLOWING:

2 (A) FOCUS ON SKILLED TRADES, NURSING, LAW ENFORCEMENT, AND
3 LIFE SKILLS FOR THE DEVELOPMENTALLY CHALLENGED.

4 (B) BRING TOGETHER INTERMEDIATE DISTRICTS, PRIVATE SECTOR
5 LABOR AND MANAGEMENT, AND STATE RESOURCES TO PROVIDE A UNIQUE
6 EXPERIENCE USING VIRTUAL REALITY TO EXPOSE POTENTIAL EMPLOYEES TO
7 CAREER OPPORTUNITIES AND PROVIDE CUTTING-EDGE TRAINING FOR EXISTING
8 EMPLOYEES.

9 (C) PARTNER WITH A SMALL BUSINESS START-UP COMPANY FOCUSED ON
10 USING VIRTUAL REALITY IN THE AREAS OF EDUCATION AND TRAINING TO
11 DEVELOP CUSTOM CONTENT.

12 (D) CREATE A TALENT DEVELOPMENT TRACK.

13 (3) NOTWITHSTANDING SECTION 17B, PAYMENTS MADE UNDER THIS
14 SECTION SHALL BE PROVIDED TO AN ELIGIBLE INTERMEDIATE DISTRICT NOT
15 LATER THAN MARCH 1, 2019.

16 SEC. 74A. (1) FROM THE FUNDS APPROPRIATED IN SECTION 11, THERE
17 IS ALLOCATED AN AMOUNT NOT TO EXCEED \$810,000.00 FOR 2018-2019 TO
18 AN ELIGIBLE INTERMEDIATE DISTRICT TO IMPLEMENT A STATEWIDE SCHOOL
19 BUS DRIVER SAFETY PROGRAM.

20 (2) AN INTERMEDIATE DISTRICT IS ELIGIBLE TO RECEIVE FUNDS
21 UNDER THIS SECTION IF THE INTERMEDIATE DISTRICT MEETS ALL OF THE
22 FOLLOWING:

23 (A) THE TOTAL COMBINED MEMBERSHIP OF ITS CONSTITUENT DISTRICTS
24 IS AT LEAST 7,000 AND NOT MORE THAN 8,000.

25 (B) THE INTERMEDIATE DISTRICT IS LOCATED IN PROSPERITY REGION
26 4.

27 (C) THE INTERMEDIATE DISTRICT CONSISTS OF 2 FORMERLY

1 INDEPENDENT INTERMEDIATE DISTRICTS THAT CONSOLIDATED INTO 1
2 INTERMEDIATE DISTRICT.

3 (3) A STATEWIDE SCHOOL BUS DRIVER SAFETY PROGRAM FUNDED UNDER
4 THIS SECTION MUST PROVIDE TRANSPORTATION STAFF TRAINING ON HOW TO
5 RESPOND TO ACTS OF VIOLENCE BY USING THE MODEL KNOWN AS ALERT,
6 LOCKDOWN, INFORM, COUNTER, EVACUATE (A.L.I.C.E.) FOR SCHOOL BUSES.

7 (4) NOTWITHSTANDING SECTION 17B, PAYMENTS MADE UNDER THIS
8 SECTION SHALL BE PROVIDED TO AN ELIGIBLE INTERMEDIATE DISTRICT NOT
9 LATER THAN MARCH 1, 2019.

10 Sec. 99h. (1) From the state school aid fund appropriation in
11 section 11, there is allocated an amount not to exceed
12 \$3,000,000.00 for 2017-2018 and an amount not to exceed
13 ~~\$3,000,000.00~~ **\$4,500,000.00** for 2018-2019 for competitive grants to
14 districts and intermediate districts, and from the general fund
15 appropriation in section 11, there is allocated an amount not to
16 exceed \$300,000.00 each fiscal year for 2017-2018 and for 2018-2019
17 for competitive grants to nonpublic schools that provide pupils in
18 grades K to 12 with expanded opportunities to improve mathematics,
19 science, and technology skills by participating in events hosted by
20 a science and technology development program known as FIRST (for
21 inspiration and recognition of science and technology) Robotics,
22 including JR FIRST Lego League, FIRST Lego League, FIRST Tech
23 challenge, and FIRST Robotics competition, or, beginning in 2018-
24 2019, other competitive robotics programs, including those hosted
25 by the Robotics Education and Competition (REC) Foundation.
26 Programs funded under this section are intended to increase the
27 number of pupils demonstrating proficiency in science and

1 mathematics on the state assessments and to increase the number of
2 pupils who are college- and career-ready upon high school
3 graduation. Notwithstanding section 17b, grant payments to
4 districts, nonpublic schools, and intermediate districts under this
5 section shall be paid on a schedule determined by the department.
6 The department shall set maximum grant awards for each different
7 level of competition in a manner that both maximizes the number of
8 teams that will be able to receive funds and expands the
9 geographical distribution of teams.

10 (2) A district, nonpublic school, or intermediate district
11 applying for a grant under this section shall submit an application
12 in a form and manner determined by the department. To be eligible
13 for a grant, a district, nonpublic school, or intermediate district
14 shall demonstrate in its application that the district, nonpublic
15 school, or intermediate district has established a partnership for
16 the purposes of the robotics program with at least 1 sponsor,
17 business entity, higher education institution, or technical school,
18 shall submit a spending plan, and shall pay at least 25% of the
19 cost of the robotics program.

20 (3) The department shall distribute the grant funding under
21 this section for the following purposes:

22 (a) Grants to districts, nonpublic schools, or intermediate
23 districts to pay for stipends not to exceed \$1,500.00 for 1 coach
24 per team.

25 (b) Grants to districts, nonpublic schools, or intermediate
26 districts for event registrations, materials, travel costs, and
27 other expenses associated with the preparation for and attendance

1 at robotics events and competitions. Each grant recipient shall
2 provide a local match from other private or local funds for the
3 funds received under this subdivision equal to at least 50% of the
4 costs of participating in an event.

5 (c) Grants to districts, nonpublic schools, or intermediate
6 districts for awards to teams that advance to the state and world
7 championship competitions. The department shall determine an equal
8 amount per team for those teams that advance to the state
9 championship and a second equal award amount to those teams that
10 advance to the world championship.

11 (4) A nonpublic school that receives a grant under this
12 section may use the funds for either robotics or Science Olympiad
13 programs.

14 (5) To be eligible to receive funds under this section, a
15 nonpublic school must be a nonpublic school registered with the
16 department and must meet all applicable state reporting
17 requirements for nonpublic schools.

18 (6) The funds allocated under this section for 2017-2018 are a
19 work project appropriation, and any unexpended funds for 2017-2018
20 are carried forward into 2018-2019. The purpose of the work project
21 is to continue support of FIRST Robotics and must not be used to
22 support other robotics competitions. The estimated completion date
23 of the work project is September 30, 2020.

24 Sec. 99u. (1) From the general fund appropriation under
25 section 11, there is allocated for 2018-2019 an amount not to
26 exceed \$1,500,000.00 to purchase statewide access to an online
27 mathematics tool that meets all of the following:

1 (a) Provides students statewide with complete access to
2 mathematics support aligned with state standards through a program
3 that has all of the following elements:

4 (i) Student motivation.

5 (ii) Valid and reliable assessments.

6 (iii) Personalized learning pathways.

7 (iv) Highly qualified, live teachers available all day and all
8 year.

9 (v) Twenty-four-hour reporting.

10 (vi) Content built for rigorous mathematics.

11 (b) Has a record of improving student mathematics scores in at
12 least 5 other states.

13 (c) Received funding under this section in 2017-2018.

14 (2) A grantee that receives funding under this section shall
15 comply with the requirements of section 19b.

16 (3) In addition to the funds allocated under subsection (1),
17 from the general fund appropriation in section 11, there is
18 allocated for 2018-2019 an amount not to exceed \$500,000.00 for a
19 software-based solution designed to teach Spanish language literacy
20 to students in pre-kindergarten through first grade. A program
21 funded under this subsection shall be a grant to ~~a~~**THE ELIGIBLE**
22 provider that promotes bilingualism and biliteracy, and is based on
23 research that shows how students who become proficient readers in
24 their first language have an easier time making the transition to
25 reading proficiency in a second language. A provider of programming
26 under subsection (1) is ~~an~~**THE** eligible provider of programming
27 under this subsection.

1 (4) IN ADDITION TO THE FUNDS ALLOCATED UNDER SUBSECTION (1) ,
2 FROM THE GENERAL FUND MONEY APPROPRIATED IN SECTION 11, THERE IS
3 ALLOCATED FOR 2018-2019 AN AMOUNT NOT TO EXCEED \$1,000,000.00 FOR A
4 PILOT PROGRAM TO PROVIDE EXPLICIT, TARGETED LITERACY INSTRUCTION
5 WITHIN AN INDIVIDUALIZED LEARNING PATH THAT CONTINUALLY ADJUSTS TO
6 A PUPIL'S NEEDS. A PROGRAM FUNDED UNDER THIS SUBSECTION SHALL BE A
7 GRANT TO THE ELIGIBLE PROVIDER THAT PROMOTES LITERACY BY TEACHING
8 CRITICAL LANGUAGE AND LITERACY CONCEPTS SUCH AS READING AND
9 LISTENING COMPREHENSION, BASIC VOCABULARY, ACADEMIC LANGUAGE,
10 GRAMMAR, PHONOLOGICAL AWARENESS, PHONICS, AND FLUENCY. A PILOT
11 PROGRAM FUNDED UNDER THIS SUBSECTION SHALL COVER BOTH THE REMAINDER
12 OF 2018-2019 AND ALSO THE ENTIRE 2019-2020 SCHOOL YEAR. A PROVIDER
13 OF PROGRAMMING UNDER SUBSECTION (1) IS THE ELIGIBLE PROVIDER OF
14 PROGRAMMING UNDER THIS SUBSECTION.

15 (5) NOTWITHSTANDING SECTION 17B, PAYMENTS MADE UNDER THIS
16 SECTION SHALL BE MADE NOT LATER THAN MARCH 1, 2019.

17 SEC. 99W. (1) FROM THE GENERAL FUND MONEY APPROPRIATED UNDER
18 SECTION 11, THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$500,000.00
19 FOR 2018-2019 TO FACILITATE A CULTURE OF HEALTH AND PHYSICAL
20 ACTIVITY AS PART OF DAILY LIFE. FUNDING UNDER THIS SECTION SHALL BE
21 A GRANT TO THE MICHIGAN FITNESS FOUNDATION TO WORK WITH THE
22 DEPARTMENT TO INVEST IN A PHYSICAL EDUCATION CURRICULUM. FUNDING
23 UNDER THIS SECTION MAY SUPPORT STAFF, EVALUATION, ASSESSMENT,
24 TECHNOLOGY, MEETINGS, TRAINING, TRAVEL, MATERIALS, AND OTHER
25 ADMINISTRATIVE EXPENSES IN SUPPORT OF AN UPDATED PHYSICAL EDUCATION
26 CURRICULUM. FUNDING UNDER THIS SECTION MAY BE USED AS MATCHING
27 DOLLARS TO QUALIFY FOR FEDERAL AND PRIVATE RESOURCES TO SUPPORT

1 PHYSICAL EDUCATION.

2 (2) NOTWITHSTANDING SECTION 17B, PAYMENTS MADE UNDER THIS
3 SECTION SHALL BE MADE NOT LATER THAN MARCH 1, 2019.

4 SEC. 99X. (1) FROM THE GENERAL FUND MONEY APPROPRIATED UNDER
5 SECTION 11, THERE IS ALLOCATED FOR 2018-2019 AN AMOUNT NOT TO
6 EXCEED \$300,000.00 FOR TEACH FOR AMERICA TO HOST A SUMMER TRAINING
7 INSTITUTE IN THE CITY OF DETROIT, RECRUIT TEACHERS INTO A MASTER
8 TEACHER FELLOWSHIP, AND RETAIN A COMMITTED ALUMNI COMMUNITY. A
9 PROGRAM FUNDED UNDER THIS SECTION MUST PROVIDE COACHING AND
10 PROFESSIONAL DEVELOPMENT, WITH THE GOAL TO PRODUCE HIGHLY EFFECTIVE
11 TEACHERS THAT MOVE PUPILS BEYOND THEIR GROWTH BENCHMARKS.

12 (2) NOTWITHSTANDING SECTION 17B, PAYMENTS MADE UNDER THIS
13 SECTION SHALL BE MADE NOT LATER THAN MARCH 1, 2019.

14 SEC. 99Y. (1) FROM THE FUNDS APPROPRIATED IN SECTION 11, THERE
15 IS ALLOCATED AN AMOUNT NOT TO EXCEED \$60,000.00 FOR 2018-2019 TO AN
16 ELIGIBLE DISTRICT TO PROVIDE PUPILS WITH A STEM AND
17 ENTREPRENEURSHIP PILOT PROGRAM. TO BE ELIGIBLE, A DISTRICT MUST
18 HAVE A MEMBERSHIP THAT IS GREATER THAN 40,000.

19 (2) AN ELIGIBLE DISTRICT MUST USE THE FUNDS ALLOCATED UNDER
20 THIS SECTION TO IMPLEMENT A PILOT PROGRAM THAT MEETS ALL OF THE
21 FOLLOWING:

22 (A) PROVIDES A STEM ENRICHMENT PROGRAM WITH A FOCUS ON
23 TECHNOLOGY AND ENTREPRENEURSHIP FOR PUPILS IN GRADES 4 TO 8.

24 (B) PROVIDES SELF-PACED, PUPIL-CENTERED PROGRAMMING DESIGNED
25 TO CREATE IN-SCHOOL, AFTER-SCHOOL, AND OUT-OF-SCHOOL EXPERIENCES.

26 (C) INCLUDES A BUILT-IN CURRICULUM AND LESSON PLANS WITH
27 SUPPORT PROVIDED BY TRAINED MENTORS.

(3) NOTWITHSTANDING SECTION 17B, PAYMENTS MADE UNDER THIS SECTION SHALL BE MADE NOT LATER THAN MARCH 1, 2019.

Sec. 101. (1) To be eligible to receive state aid under this article, not later than the fifth Wednesday after the pupil membership count day and not later than the fifth Wednesday after the supplemental count day, each district superintendent shall submit to the center and the intermediate superintendent, in the form and manner prescribed by the center, the number of pupils enrolled and in regular daily attendance in the district as of the pupil membership count day and as of the supplemental count day, as applicable, for the current school year. In addition, a district maintaining school during the entire year, as provided under section 1561 of the revised school code, MCL 380.1561, shall submit to the center and the intermediate superintendent, in the form and manner prescribed by the center, the number of pupils enrolled and in regular daily attendance in the district for the current school year pursuant to rules promulgated by the superintendent. Not later than the sixth Wednesday after the pupil membership count day and not later than the sixth Wednesday after the supplemental count day, the district shall certify the data in a form and manner prescribed by the center and file the certified data with the intermediate superintendent. If a district fails to submit and certify the attendance data, as required under this subsection, the center shall notify the department and state aid due to be distributed under this article shall be withheld from the defaulting district immediately, beginning with the next payment after the failure and continuing with each payment until the

1 district complies with this subsection. If a district does not
2 comply with this subsection by the end of the fiscal year, the
3 district forfeits the amount withheld. A person who willfully
4 falsifies a figure or statement in the certified and sworn copy of
5 enrollment shall be punished in the manner prescribed by section
6 161.

7 (2) To be eligible to receive state aid under this article,
8 not later than the twenty-fourth Wednesday after the pupil
9 membership count day and not later than the twenty-fourth Wednesday
10 after the supplemental count day, an intermediate district shall
11 submit to the center, in a form and manner prescribed by the
12 center, the audited enrollment and attendance data for the pupils
13 of its constituent districts and of the intermediate district. If
14 an intermediate district fails to submit the audited data as
15 required under this subsection, state aid due to be distributed
16 under this article shall be withheld from the defaulting
17 intermediate district immediately, beginning with the next payment
18 after the failure and continuing with each payment until the
19 intermediate district complies with this subsection. If an
20 intermediate district does not comply with this subsection by the
21 end of the fiscal year, the intermediate district forfeits the
22 amount withheld.

23 (3) Except as otherwise provided in subsections (11) and (12),
24 all of the following apply to the provision of pupil instruction:

25 (a) Except as otherwise provided in this section, each
26 district shall provide at least 1,098 hours and, beginning in 2010-
27 2011, the required minimum number of days of pupil instruction.

1 Beginning in 2014-2015, the required minimum number of days of
2 pupil instruction is 175. However, all of the following apply to
3 these requirements:

4 (i) If a collective bargaining agreement that provides a
5 complete school calendar was in effect for employees of a district
6 as of July 1, 2013, and if that school calendar is not in
7 compliance with this subsection, then this subsection does not
8 apply to that district until after the expiration of that
9 collective bargaining agreement. If a district entered into a
10 collective bargaining agreement on or after July 1, 2013 and if
11 that collective bargaining agreement did not provide for at least
12 175 days of pupil instruction beginning in 2014-2015, then the
13 department shall withhold from the district's total state school
14 aid an amount equal to 5% of the funding the district receives in
15 2014-2015 under sections 22a and 22b.

16 (ii) A district may apply for a waiver under subsection (9)
17 from the requirements of this subdivision.

18 (b) Beginning in 2016-2017, the required minimum number of
19 days of pupil instruction is 180. If a collective bargaining
20 agreement that provides a complete school calendar was in effect
21 for employees of a district as of the effective date of the
22 amendatory act that added this subdivision, and if that school
23 calendar is not in compliance with this subdivision, then this
24 subdivision does not apply to that district until after the
25 expiration of that collective bargaining agreement. A district may
26 apply for a waiver under subsection (9) from the requirements of
27 this subdivision.

1 (c) Except as otherwise provided in this article, a district
2 failing to comply with the required minimum hours and days of pupil
3 instruction under this subsection shall forfeit from its total
4 state aid allocation an amount determined by applying a ratio of
5 the number of hours or days the district was in noncompliance in
6 relation to the required minimum number of hours and days under
7 this subsection. Not later than August 1, the board of each
8 district shall either certify to the department that the district
9 was in full compliance with this section regarding the number of
10 hours and days of pupil instruction in the previous school year, or
11 report to the department, in a form and manner prescribed by the
12 center, each instance of noncompliance. If the district did not
13 provide at least the required minimum number of hours and days of
14 pupil instruction under this subsection, the deduction of state aid
15 shall be made in the following fiscal year from the first payment
16 of state school aid. A district is not subject to forfeiture of
17 funds under this subsection for a fiscal year in which a forfeiture
18 was already imposed under subsection (6).

19 (d) Hours or days lost because of strikes or teachers'
20 conferences shall not be counted as hours or days of pupil
21 instruction.

22 (e) If a collective bargaining agreement that provides a
23 complete school calendar is in effect for employees of a district
24 as of October 19, 2009, and if that school calendar is not in
25 compliance with this subsection, then this subsection does not
26 apply to that district until after the expiration of that
27 collective bargaining agreement.

1 (f) Except as otherwise provided in subdivisions (g) and (h),
2 a district not having at least 75% of the district's membership in
3 attendance on any day of pupil instruction shall receive state aid
4 in that proportion of 1/180 that the actual percent of attendance
5 bears to the specified percentage.

6 (g) If a district adds 1 or more days of pupil instruction to
7 the end of its instructional calendar for a school year to comply
8 with subdivision (a) because the district otherwise would fail to
9 provide the required minimum number of days of pupil instruction
10 even after the operation of subsection (4) due to conditions not
11 within the control of school authorities, then subdivision (f) does
12 not apply for any day of pupil instruction that is added to the end
13 of the instructional calendar. Instead, for any of those days, if
14 the district does not have at least 60% of the district's
15 membership in attendance on that day, the district shall receive
16 state aid in that proportion of 1/180 that the actual percentage of
17 attendance bears to the specified percentage. For any day of pupil
18 instruction added to the instructional calendar as described in
19 this subdivision, the district shall report to the department the
20 percentage of the district's membership that is in attendance, in
21 the form and manner prescribed by the department.

22 (h) At the request of a district that operates a department-
23 approved alternative education program and that does not provide
24 instruction for pupils in all of grades K to 12, the superintendent
25 shall grant a waiver from the requirements of subdivision (f). The
26 waiver shall indicate that an eligible district is subject to the
27 proration provisions of subdivision (f) only if the district does

1 not have at least 50% of the district's membership in attendance on
2 any day of pupil instruction. In order to be eligible for this
3 waiver, a district must maintain records to substantiate its
4 compliance with the following requirements:

5 (i) The district offers the minimum hours of pupil instruction
6 as required under this section.

7 (ii) For each enrolled pupil, the district uses appropriate
8 academic assessments to develop an individual education plan that
9 leads to a high school diploma.

10 (iii) The district tests each pupil to determine academic
11 progress at regular intervals and records the results of those
12 tests in that pupil's individual education plan.

13 (i) All of the following apply to a waiver granted under
14 subdivision (h):

15 (i) If the waiver is for a blended model of delivery, a waiver
16 that is granted for the 2011-2012 fiscal year or a subsequent
17 fiscal year remains in effect unless it is revoked by the
18 superintendent.

19 (ii) If the waiver is for a 100% online model of delivery and
20 the educational program for which the waiver is granted makes
21 educational services available to pupils for a minimum of at least
22 1,098 hours during a school year and ensures that each pupil
23 participates in the educational program for at least 1,098 hours
24 during a school year, a waiver that is granted for the 2011-2012
25 fiscal year or a subsequent fiscal year remains in effect unless it
26 is revoked by the superintendent.

27 (iii) A waiver that is not a waiver described in subparagraph

1 (i) or (ii) is valid for 1 fiscal year and must be renewed annually
2 to remain in effect.

3 (j) The superintendent shall promulgate rules for the
4 implementation of this subsection.

5 (4) Except as otherwise provided in this subsection, the first
6 6 days or the equivalent number of hours for which pupil
7 instruction is not provided because of conditions not within the
8 control of school authorities, such as severe storms, fires,
9 epidemics, utility power unavailability, water or sewer failure, or
10 health conditions as defined by the city, county, or state health
11 authorities, shall be counted as hours and days of pupil
12 instruction. With the approval of the superintendent of public
13 instruction, the department shall count as hours and days of pupil
14 instruction for a fiscal year not more than 3 additional days or
15 the equivalent number of additional hours for which pupil
16 instruction is not provided in a district due to unusual and
17 extenuating occurrences resulting from conditions not within the
18 control of school authorities such as those conditions described in
19 this subsection. Subsequent such hours or days shall not be counted
20 as hours or days of pupil instruction.

21 (5) A district shall not forfeit part of its state aid
22 appropriation because it adopts or has in existence an alternative
23 scheduling program for pupils in kindergarten if the program
24 provides at least the number of hours required under subsection (3)
25 for a full-time equated membership for a pupil in kindergarten as
26 provided under section 6(4).

27 (6) In addition to any other penalty or forfeiture under this

1 section, if at any time the department determines that 1 or more of
2 the following have occurred in a district, the district shall
3 forfeit in the current fiscal year beginning in the next payment to
4 be calculated by the department a proportion of the funds due to
5 the district under this article that is equal to the proportion
6 below the required minimum number of hours and days of pupil
7 instruction under subsection (3), as specified in the following:

8 (a) The district fails to operate its schools for at least the
9 required minimum number of hours and days of pupil instruction
10 under subsection (3) in a school year, including hours and days
11 counted under subsection (4).

12 (b) The board of the district takes formal action not to
13 operate its schools for at least the required minimum number of
14 hours and days of pupil instruction under subsection (3) in a
15 school year, including hours and days counted under subsection (4).

16 (7) In providing the minimum number of hours and days of pupil
17 instruction required under subsection (3), a district shall use the
18 following guidelines, and a district shall maintain records to
19 substantiate its compliance with the following guidelines:

20 (a) Except as otherwise provided in this subsection, a pupil
21 must be scheduled for at least the required minimum number of hours
22 of instruction, excluding study halls, or at least the sum of 90
23 hours plus the required minimum number of hours of instruction,
24 including up to 2 study halls.

25 (b) The time a pupil is assigned to any tutorial activity in a
26 block schedule may be considered instructional time, unless that
27 time is determined in an audit to be a study hall period.

1 (c) Except as otherwise provided in this subdivision, a pupil
2 in grades 9 to 12 for whom a reduced schedule is determined to be
3 in the individual pupil's best educational interest must be
4 scheduled for a number of hours equal to at least 80% of the
5 required minimum number of hours of pupil instruction to be
6 considered a full-time equivalent pupil. A pupil in grades 9 to 12
7 who is scheduled in a 4-block schedule may receive a reduced
8 schedule under this subsection if the pupil is scheduled for a
9 number of hours equal to at least 75% of the required minimum
10 number of hours of pupil instruction to be considered a full-time
11 equivalent pupil.

12 (d) If a pupil in grades 9 to 12 who is enrolled in a
13 cooperative education program or a special education pupil cannot
14 receive the required minimum number of hours of pupil instruction
15 solely because of travel time between instructional sites during
16 the school day, that travel time, up to a maximum of 3 hours per
17 school week, shall be considered to be pupil instruction time for
18 the purpose of determining whether the pupil is receiving the
19 required minimum number of hours of pupil instruction. However, if
20 a district demonstrates to the satisfaction of the department that
21 the travel time limitation under this subdivision would create
22 undue costs or hardship to the district, the department may
23 consider more travel time to be pupil instruction time for this
24 purpose.

25 (e) In grades 7 through 12, instructional time that is part of
26 a junior reserve officer training corps (JROTC) program shall be
27 considered to be pupil instruction time regardless of whether the

1 instructor is a certificated teacher if all of the following are
2 met:

3 (i) The instructor has met all of the requirements established
4 by the United States Department of Defense and the applicable
5 branch of the armed services for serving as an instructor in the
6 junior reserve officer training corps program.

7 (ii) The board of the district or intermediate district
8 employing or assigning the instructor complies with the
9 requirements of sections 1230 and 1230a of the revised school code,
10 MCL 380.1230 and 380.1230a, with respect to the instructor to the
11 same extent as if employing the instructor as a regular classroom
12 teacher.

13 (8) Except as otherwise provided in subsections (11) and (12),
14 the department shall apply the guidelines under subsection (7) in
15 calculating the full-time equivalency of pupils.

16 (9) Upon application by the district for a particular fiscal
17 year, the superintendent shall waive for a district the minimum
18 number of hours and days of pupil instruction requirement of
19 subsection (3) for a department-approved alternative education
20 program or another innovative program approved by the department,
21 including a 4-day school week. If a district applies for and
22 receives a waiver under this subsection and complies with the terms
23 of the waiver, the district is not subject to forfeiture under this
24 section for the specific program covered by the waiver. If the
25 district does not comply with the terms of the waiver, the amount
26 of the forfeiture shall be calculated based upon a comparison of
27 the number of hours and days of pupil instruction actually provided

1 to the minimum number of hours and days of pupil instruction
2 required under subsection (3). Pupils enrolled in a department-
3 approved alternative education program under this subsection shall
4 be reported to the center in a form and manner determined by the
5 center. All of the following apply to a waiver granted under this
6 subsection:

7 (a) If the waiver is for a blended model of delivery, a waiver
8 that is granted for the 2011-2012 fiscal year or a subsequent
9 fiscal year remains in effect unless it is revoked by the
10 superintendent.

11 (b) If the waiver is for a 100% online model of delivery and
12 the educational program for which the waiver is granted makes
13 educational services available to pupils for a minimum of at least
14 1,098 hours during a school year and ensures that each pupil is on
15 track for course completion at proficiency level, a waiver that is
16 granted for the 2011-2012 fiscal year or a subsequent fiscal year
17 remains in effect unless it is revoked by the superintendent.

18 (c) A waiver that is not a waiver described in subdivision (a)
19 or (b) is valid for 1 fiscal year and must be renewed annually to
20 remain in effect.

21 **(D) FOR 2018-2019 ONLY, THE DEPARTMENT SHALL GRANT A WAIVER TO**
22 **A DISTRICT THAT APPLIES FOR A WAIVER FOR A BLENDED MODEL OF**
23 **DELIVERY AFTER THE DEPARTMENT'S APPLICATION DEADLINE IF THE**
24 **DISTRICT MEETS THE OTHER REQUIREMENTS FOR A WAIVER UNDER THIS**
25 **SUBSECTION.**

26 (10) Until 2014-2015, a district may count up to 38 hours of
27 qualifying professional development for teachers as hours of pupil

1 instruction. However, if a collective bargaining agreement that
2 provides for the counting of up to 38 hours of qualifying
3 professional development for teachers as pupil instruction is in
4 effect for employees of a district as of July 1, 2013, then until
5 the school year that begins after the expiration of that collective
6 bargaining agreement a district may count up to the contractually
7 specified number of hours of qualifying professional development
8 for teachers as hours of pupil instruction. Professional
9 development provided online is allowable and encouraged, as long as
10 the instruction has been approved by the district. The department
11 shall issue a list of approved online professional development
12 providers, which shall include the Michigan Virtual School. As used
13 in this subsection, "qualifying professional development" means
14 professional development that is focused on 1 or more of the
15 following:

16 (a) Achieving or improving adequate yearly progress as defined
17 under the no child left behind act of 2001, Public Law 107-110.

18 (b) Achieving accreditation or improving a school's
19 accreditation status under section 1280 of the revised school code,
20 MCL 380.1280.

21 (c) Achieving highly qualified teacher status as defined under
22 the no child left behind act of 2001, Public Law 107-110.

23 (d) Integrating technology into classroom instruction.

24 (e) Maintaining teacher certification.

25 (11) Subsections (3) and (8) do not apply to a school of
26 excellence that is a cyber school, as defined in section 551 of the
27 revised school code, MCL 380.551, and is in compliance with section

1 553a of the revised school code, MCL 380.553a.

2 (12) Subsections (3) and (8) do not apply to eligible pupils
3 enrolled in a dropout recovery program that meets the requirements
4 of section 23a. As used in this subsection, "eligible pupil" means
5 that term as defined in section 23a.

6 (13) Beginning in 2013, at least every 2 years the
7 superintendent shall review the waiver standards set forth in the
8 pupil accounting and auditing manuals to ensure that the waiver
9 standards and waiver process continue to be appropriate and
10 responsive to changing trends in online learning. The
11 superintendent shall solicit and consider input from stakeholders
12 as part of this review.

13 **SEC. 104F. (1) FROM THE GENERAL FUND MONEY APPROPRIATED IN**
14 **SECTION 11, THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$500,000.00**
15 **FOR THE IMPLEMENTATION OF AN ASSESSMENT DIGITAL LITERACY**
16 **PREPARATION PILOT PROJECT FOR PUPILS ENROLLED IN GRADES K TO 8 FOR**
17 **2018-2019. THE DEPARTMENT SHALL ENSURE THAT A PILOT PROJECT FUNDED**
18 **UNDER THIS SUBSECTION SATISFIES ALL OF THE FOLLOWING:**

19 (A) IS AVAILABLE TO DISTRICTS IN THE 2019-2020 SCHOOL YEAR.

20 (B) FOCUSES ON ENSURING PUPILS HAVE THE NECESSARY SKILLS
21 REQUIRED FOR STATE ONLINE ASSESSMENTS BY ASSESSING PUPIL DIGITAL
22 LITERACY SKILL LEVELS AND PROVIDING TEACHERS WITH A DIGITAL
23 CURRICULUM TARGETED AT AREAS OF DETERMINED WEAKNESS.

24 (C) ALLOWS PUPILS TO ENGAGE WITH THE DIGITAL CURRICULUM IN AN
25 INDEPENDENT OR TEACHER-FACILITATED MODALITY.

26 (D) INCLUDES TRAINING AND PROFESSIONAL DEVELOPMENT FOR
27 TEACHERS.

1 (E) IS IMPLEMENTED IN AT LEAST 100 DISTRICTS THAT OPERATE
2 GRADES K TO 8 AND THAT REPRESENT A DIVERSE GEOGRAPHY AND SOCIO-
3 ECONOMIC DEMOGRAPHIC.

4 (2) FUNDING UNDER SUBSECTION (1) SHALL BE ALLOCATED TO A
5 DISTRICT THAT DID NOT RECEIVE FUNDING UNDER FORMER SECTION 104E FOR
6 2017-2018 AND OPERATES AT LEAST GRADES K TO 8 AND HAS A PARTNERSHIP
7 WITH A THIRD PARTY THAT IS EXPERIENCED IN THE ASSESSMENT OF DIGITAL
8 LITERACY AND THE PREPARATION OF DIGITAL LITERACY SKILLS AND HAS
9 DEMONSTRABLE EXPERIENCE SERVING DISTRICTS IN THIS STATE AND LOCAL
10 EDUCATION AGENCIES IN 10 OTHER STATES. THE DISTRICT, ALONG WITH ITS
11 THIRD-PARTY PARTNER, SHALL PROVIDE A REPORT TO THE HOUSE AND SENATE
12 APPROPRIATIONS SUBCOMMITTEES ON SCHOOL AID AND THE HOUSE AND SENATE
13 FISCAL AGENCIES ON THE EFFICACY AND USEFULNESS OF THE ASSESSMENT
14 DIGITAL LITERACY PREPARATION PILOT PROJECT NO LATER THAN APRIL 1,
15 2020.

16 (3) NOTWITHSTANDING SECTION 17B, PAYMENTS UNDER SUBSECTION (1)
17 SHALL BE MADE NOT LATER THAN MARCH 1, 2019 IN A MANNER DETERMINED
18 BY THE DEPARTMENT.

19 Sec. 265. (1) Payments under section 265a for performance
20 funding for fiscal years 2018-2019, 2019-2020, and 2020-2021 shall
21 only be made to a public university that certifies to the state
22 budget director by August 31, 2018 that its board did not adopt an
23 increase in tuition and fee rates for resident undergraduate
24 students after September 1, 2017 for the 2017-2018 academic year
25 and that its board will not adopt an increase in tuition and fee
26 rates for resident undergraduate students for the 2018-2019
27 academic year that is greater than 3.8% or \$490.00, whichever is

1 greater. As used in this subsection:

2 (a) "Fee" means any board-authorized fee that will be paid by
3 more than 1/2 of all resident undergraduate students at least once
4 during their enrollment at a public university, as described in the
5 higher education institutional data inventory (HEIDI) user manual.
6 A university increasing a fee that applies to a specific subset of
7 students or courses shall provide sufficient information to prove
8 that the increase applied to that subset will not cause the
9 increase in the average amount of board-authorized total tuition
10 and fees paid by resident undergraduate students in the 2018-2019
11 academic year to exceed the limit established in this subsection.

12 (b) "Tuition and fee rate" means the average of full-time
13 rates paid by a majority of students in each undergraduate class,
14 based on an unweighted average of the rates authorized by the
15 university board and actually charged to students, deducting any
16 uniformly rebated or refunded amounts, for the 2 semesters with the
17 highest levels of full-time equated resident undergraduate
18 enrollment during the academic year, as described in the higher
19 education institutional data inventory (HEIDI) user manual.

20 ~~—— (c) For purposes of subdivision (a), for a public university~~
21 ~~that compels resident undergraduate students to be covered by~~
22 ~~health insurance as a condition to enroll at the university, "fee"~~
23 ~~includes the annual amount a student is charged for coverage by the~~
24 ~~university-affiliated group health insurance policy if he or she~~
25 ~~does not provide proof that he or she is otherwise covered by~~
26 ~~health insurance. This subdivision does not apply to limited~~
27 ~~subsets of resident undergraduate students to be covered by health~~

1 ~~insurance for specific reasons other than general enrollment at the~~
2 ~~university.~~

3 (2) The state budget director shall implement uniform
4 reporting requirements to ensure that a public university receiving
5 a payment under section 265a for performance funding has satisfied
6 the tuition restraint requirements of this section. The state
7 budget director shall have the sole authority to determine if a
8 public university has met the requirements of this section.
9 Information reported by a public university to the state budget
10 director under this subsection shall also be reported to the house
11 and senate appropriations subcommittees on higher education and the
12 house and senate fiscal agencies.

13 (3) Universities that exceed the tuition and fee rate cap
14 described in subsection (1) shall not receive a planning or
15 construction authorization for a state-funded capital outlay
16 project in fiscal year 2019-2020, fiscal year 2020-2021, or fiscal
17 year 2021-2022.

18 (4) Notwithstanding any other provision of this act, the
19 legislature may at any time adjust appropriations for a university
20 that adopts an increase in tuition and fee rates for resident
21 undergraduate students that exceeds the rate cap established in
22 subsection (1).

23 Sec. 297c. (1) From the appropriation in section 297, there is
24 allocated for 2017-2018 an amount not to exceed \$25,500,000.00 for
25 the Michigan talent pledge scholarship program administered by the
26 department of treasury.

27 (2) From the allocation in subsection (1), there is allocated

1 for 2017-2018 an amount not to exceed \$20,000,000.00 to be used for
2 the purpose of assisting low-income individuals with the cost of
3 obtaining a qualifying degree or credential in high-demand fields.
4 The funds must be used to fund scholarships and stipends for ~~3~~
5 ~~cohorts of~~ eligible individuals over 4 years. Awards shall be in
6 the following amounts:

7 (a) \$750.00 scholarship award for individuals enrolled in an
8 eligible program that leads to a 1-year credential, in addition to
9 a \$250.00 stipend paid to the individual.

10 (b) \$500.00 scholarship award each year for 2 years for
11 individuals enrolled in an eligible program that leads to a 2-year
12 credential, in addition to a \$250.00 stipend each year paid to the
13 individual.

14 (3) To be eligible for a scholarship grant under this section,
15 an individual shall meet all of the following:

16 (a) Except for an individual under the age of 18, possess a
17 high school diploma, recognized equivalency, or recognized
18 equivalency certificate.

19 (b) Be a resident of this state and a citizen of the United
20 States of America.

21 (c) File the free application for federal student aid (FAFSA),
22 annually.

23 (d) ~~Meet the same income qualification requirements as the~~
24 ~~Healthy Michigan plan under section 107 of the social welfare act,~~
25 ~~1939 PA 280, MCL 400.107, at the time of application.~~**HAVE AN ANNUAL**
26 **INCOME AT THE TIME OF APPLICATION THAT IS AT OR BELOW 133% OF THE**
27 **FEDERAL POVERTY GUIDELINES PUBLISHED ANNUALLY BY THE UNITED STATES**

1 **DEPARTMENT OF HEALTH AND HUMAN SERVICES.**

2 (e) Be enrolled ~~full-time~~ in a qualifying program at an
3 eligible postsecondary institution.

4 (f) Apply for a grant in a form and manner prescribed by the
5 department of treasury.

6 (g) Maintain a cumulative grade point average of at least 2.5,
7 if the institution utilizes a standard grading model, or, if the
8 institution utilizes a competency-based grading model during his or
9 her time enrolled in an eligible postsecondary institution, make
10 sufficient progress through the curriculum to complete the program.

11 (h) Is between the ages of 16 and 45 at the time of
12 application.

13 (4) A postsecondary institution is eligible under this section
14 if the postsecondary institution is a public or private nonprofit
15 college or university, junior college, community college, or
16 private training provider that grants degrees or certificates and
17 is located in this state and provides proof, in a form and manner
18 prescribed by the department of treasury, in cooperation with the
19 department of talent and economic development, that it has
20 implemented a talent guarantee for the relevant qualifying program
21 under subsection (5). For the purposes of this subsection, "talent
22 guarantee" means a process by which the institution will provide
23 relevant training in the relevant field at no cost to a graduate
24 who successfully completes a qualifying program under subsection
25 (5), if the graduate is unable to find or keep a job in the
26 relevant field at a relevant level due to a lack of technical
27 skills. Institutions are encouraged to work with their local

1 Michigan works agencies to implement this guarantee.

2 (5) A program must meet all of the following to be a
3 qualifying program under this section:

4 (a) Completion of the program must result in a credential in a
5 qualifying high-demand field.

6 (b) The program is intended to be completed in no more than 1
7 year for an award under subsection (2)(a), or no more than 2 years
8 for an award under subsection (2)(b).

9 (c) The program utilizes a competency-based instructional
10 model.

11 (6) The department of treasury shall develop an application
12 and eligibility determination process that will provide the highest
13 level of participation and ensure that all requirements of the
14 program are met.

15 (7) The department of treasury shall provide payment on behalf
16 of an individual eligible under subsection (3) for the scholarship
17 award amounts described in subsection (2)(a) and (b). The
18 department of treasury shall reimburse the eligible postsecondary
19 institution no later than 30 days after the start of the fiscal
20 year. Subject to subsection (8), the department of treasury shall
21 only accept standard per-credit hour tuition billings and shall
22 reject billings that are excessive or outside of the guidelines for
23 the type of educational institution. For the stipend amounts under
24 subsection (2)(a) and (b), the department of treasury shall
25 collaborate with eligible postsecondary institutions to ensure that
26 a prorated amount of the stipend is forwarded to the student
27 following each regular meeting with a coach, mentor, or counselor

1 as an incentive for the student to meet with the coach, mentor, or
2 counselor.

3 (8) For the department of treasury to pay a scholarship award
4 on behalf of an individual eligible under subsection (3), at least
5 1 of the following must apply:

6 (a) For individuals enrolled at a community college in this
7 state, the individual is charged the current in-district tuition
8 and mandatory fees.

9 (b) For individuals enrolled at a public university in this
10 state, the individual is charged the lower division resident
11 tuition and mandatory fees for the current year.

12 (c) For individuals enrolled at an independent, nonprofit
13 degree-granting college or university in this state or a federal
14 tribally controlled community college in this state, the mandatory
15 fees and per-credit payment charged to the individual do not exceed
16 the average community college in-district per-credit tuition rate
17 as reported on August 1 of the immediately preceding academic year.

18 (9) The department of treasury shall collaborate with the
19 center to use the P-20 longitudinal data system to report the
20 number of students who are engaged in and have completed a program
21 using an award granted under this section.

22 (10) From the funds allocated under subsection (1), there is
23 allocated for 2017-2018 an amount not to exceed \$2,440,000.00 for
24 grants to community colleges, universities, or private nonprofit
25 colleges for the purpose of providing coaches to students who
26 receive scholarship awards under this section. The coaches funded
27 under this subsection shall provide intense mentoring and advising

1 to recipients of scholarships under this section, focusing on
2 ensuring that students complete programs for which they receive
3 scholarships under this section. Grants awarded under this
4 subsection must be made to eligible postsecondary institutions in
5 the amount not to exceed \$40,000.00 per coach.

6 (11) From the funds allocated under subsection (1), there is
7 an amount allocated for 2017-2018 not to exceed \$2,300,000.00 to be
8 used for grants to districts for stipends for students and bonus
9 payments to districts that are parties to a talent consortium and
10 whose students successfully earn an in-demand workforce certificate
11 in a high-demand field. For the purposes of funding under this
12 subsection, a workforce certificate must, as determined by the
13 department of talent and economic development, be entry-level or
14 above, recognized by statewide industry, and in a high-demand,
15 high-salary, high-upward mobility career. Grants awarded under this
16 subsection must be in the amount of \$500.00 per student who
17 successfully completes an in-demand credential in a high-demand
18 field in calendar year 2019 or 2020. A grant awarded under this
19 subsection shall be distributed in an amount of \$250.00 to the
20 student and in an amount of \$250.00 to the district. A district
21 seeking a grant under this subsection shall apply in a form and
22 manner prescribed by the department. ~~of treasury.~~ An application
23 for a grant under this subsection must describe the credentials
24 that students will earn using funds awarded under this subsection.
25 The department ~~of treasury~~ shall work with the department of talent
26 and economic development to award grants under this subsection and
27 notify applicants of the decision to award a grant not later than

1 30 days after receiving an application.

2 (12) The following do not qualify as in-demand credentials in
3 a high-demand field for the purposes of subsection (11):

4 (a) A high school diploma or equivalent.

5 (b) An advanced placement test other than physics c:
6 electricity and magnetism, physics c: mechanics, computer science
7 a, or computer science principles.

8 (13) From the funds allocated in subsection (1), there is an
9 amount allocated not to exceed \$760,000.00 to the department of
10 treasury for costs related to the administration of this section.

11 Sec. 297h. **(1)** As used in this article:

12 (a) "Competency-based education" and "competency-based
13 instructional model" mean an approach to teaching and pupil
14 learning where pupils are evaluated on individual competencies, and
15 only when they master them, they move on to more advanced
16 competencies. For the purposes of this article, competency-based
17 instructional programs must meet at least all of the following:

18 (i) The majority of instructional time is spent on pupil-
19 driven projects in multiple subject areas as well as 21st century
20 skills such as leadership, teamwork, problem solving, and
21 communication. Instructional time may take place outside of the
22 traditional school calendar.

23 (ii) Includes an innovative partnership with employers or
24 postsecondary institutions, or both, as appropriate, to provide
25 contextualized learning opportunities that emphasize attainment of
26 competencies that include application and creation of knowledge
27 along with the development of work-ready skills.

1 (iii) Includes the use of multiple and innovative methods to
2 determine pupil achievement of competencies in a subject area or
3 combined subject areas such as public presentations, submission of
4 research papers, attaining marketable workforce credentials, and
5 mentoring other pupils.

6 (b) "Credential" means proof of competency in a high-demand,
7 high-salary, and high-upward mobility field or any other
8 designation determined to be in high demand. A credential must be
9 stackable, which means that it can lead to a more advanced
10 recognized credential. A high school diploma is not a credential.

11 (c) "High-demand field" means professional trades,
12 manufacturing, engineering, information technology and computer
13 science, machine learning and artificial intelligence, mobility,
14 health care, and business.

15 (d) "Talent agreement" means, **SUBJECT TO SUBSECTION (2)**, an
16 agreement that is signed by the members of a talent consortium and
17 is approved by the department of talent and economic development
18 and the department. A talent agreement must include at least all of
19 the following:

20 (i) A description of how the members will create a seamless,
21 competency-based education model that results in pupils acquiring
22 high-demand skills and credentials.

23 (ii) A formalized process by which the talent consortium will
24 periodically review and update employer needs and which skills and
25 credentials are in demand, including, but not limited to, a 2-, 5-,
26 and 20-year talent skills projection.

27 (iii) A detailed plan on how curriculum and instruction will

1 be changed to address the changing employer and talent skills
2 needs.

3 (iv) If a postsecondary institution is a member of a talent
4 consortium, how the postsecondary institution will reduce barriers
5 as pupils transition through phases of their education from K-12
6 education to postsecondary education and into the workforce. These
7 efforts may include, but are not limited to, the following:

8 (A) Dual enrollment practices.

9 (B) The acceptance of talent portfolios for college
10 admissions.

11 (C) Work-based learning and internships.

12 (D) The creation of career pathways beginning in middle school
13 and high school.

14 (E) In-classroom mentoring or career counseling.

15 (F) Prehiring agreements in which employers promise to hire
16 graduates of a program.

17 (v) How any grant dollars received will further the goals of
18 the consortium.

19 (vi) How members will continue to collaborate after a grant is
20 awarded.

21 (e) "Talent consortium" means a consortium of entities that
22 enter into a talent agreement for the purposes of funding under
23 this article. A talent consortium must include at least 1 district
24 or intermediate district and at least 2 employers or organizations
25 representing employers. However, a talent consortium with only 1
26 district that is a tier 3 district is not required to include more
27 than 1 employer or organization representing employers. A talent

1 consortium may include a private training provider that grants
2 degrees or certificates and is located in this state, community
3 colleges, colleges, or universities. A talent consortium is not
4 bound by size or geographic locations in this state.

5 (f) "Tier 1 district" means a district with a pupil membership
6 in 2017-2018 of at least 3,800.

7 (g) "Tier 2 district" means a district with a pupil membership
8 in 2017-2018 of at least 1,400 but less than 3,800.

9 (h) "Tier 3 district" means a district with a pupil membership
10 in 2017-2018 of less than 1,400.

11 **(2) IF A NATIONAL ORGANIZATION OR COMPANY WITH EXPERTISE IN**
12 **THE TALENT NEEDS OR EDUCATION PROGRAMS ADDRESSED BY A TALENT**
13 **AGREEMENT SUBMITS A LETTER OF SUPPORT FOR THE GRANT APPLICATION IN**
14 **LIEU OF SIGNING THE TALENT AGREEMENT, AND THAT LETTER OF SUPPORT**
15 **OUTLINES HOW THE ORGANIZATION OR COMPANY WILL SUPPORT THE WORK OF**
16 **THE TALENT CONSORTIUM, THEN THE ORGANIZATION OR COMPANY IS**
17 **CONSIDERED TO BE A CONTRIBUTING PARTNER OF THAT TALENT CONSORTIUM**
18 **WITHOUT SIGNING THE TALENT AGREEMENT.**

19 Sec. 297i. (1) The department, in consultation with the
20 department of talent and economic development, shall develop a
21 consolidated grant application for grants under sections 297a,
22 297b, and 297d, **EXCEPT FOR GRANTS UNDER SECTION 297A(4)**. The
23 department, in consultation with the department of talent and
24 economic development, may develop additional consolidated
25 applications for grants under this article. A consolidated
26 application developed under this subsection must require an
27 applicant to identify the grant or grants for which the applicant

1 is applying and the amount of the award the applicant is requesting
2 for each grant.

3 (2) The department shall begin accepting consolidated
4 applications for grants under this article not later than March 31,
5 2019.

6 (3) Not later than June 1, 2019, the department, in
7 consultation with the department of talent and economic
8 development, shall award at least 50% of the funds allocated under
9 sections 297a, 297b, and 297d.

10 Enacting section 1. In accordance with section 30 of article
11 IX of the state constitution of 1963, total state spending on
12 school aid under article I of the state school aid act of 1979,
13 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2018 PA 265 and
14 this amendatory act, from state sources for fiscal year 2018-2019
15 is estimated at \$13,098,645,300.00 and state appropriations for
16 school aid to be paid to local units of government for fiscal year
17 2018-2019 are estimated at \$12,900,901,000.00.