

**SUBSTITUTE FOR
SENATE BILL NO. 832**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 3, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18,
20, 20d, 20f, 20m, 21b, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 24,
24a, 25f, 25g, 25i, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31f, 31j,
31n, 31o, 31p, 31y, 31z, 32d, 32p, 35a, 35b, 35d, 35e, 35f, 35g,
35h, 39, 39a, 41, 41a, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 55,
56, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81, 94, 94a, 95b, 97,
97a, 98, 98b, 98d, 99h, 99s, 99t, 99u, 99x, 99aa, 101, 104, 104f,
104h, 107, 147, 147a, 147c, 147e, 152a, 152b, and 166a (MCL
388.1603, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j,
388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618, 388.1620,
388.1620d, 388.1620f, 388.1620m, 388.1621b, 388.1621f, 388.1621h,



388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1625i, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631o, 388.1631p, 388.1631y, 388.1631z, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1635d, 388.1635e, 388.1635f, 388.1635g, 388.1635h, 388.1639, 388.1639a, 388.1641, 388.1641a, 388.1651a, 388.1651c, 388.1651d, 388.1651f, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1697, 388.1697a, 388.1698, 388.1698b, 388.1698d, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699x, 388.1699aa, 388.1701, 388.1704, 388.1704f, 388.1704h, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1752b, and 388.1766a), section 3 as amended by 2020 PA 165, sections 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 25i, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 31n, 32d, 32p, 35a, 35b, 35d, 35e, 35f, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81, 94, 94a, 95b, 98, 98d, 99h, 99s, 99t, 99u, 99x, 101, 104, 104f, 107, 147, 147a, 147c, 147e, 152a, and 152b as amended and sections 20m, 22c, 26d, 31o, 31p, 31y, 31z, 35g, 35h, 41a, 97, 97a, 98b, 99aa, and 104h as added by 2021 PA 48, section 21b as amended by 2014 PA 196, and section 166a as amended by 2019 PA 58, and by adding sections 8c, 11z, 27a, 27b, 31aa, 31bb, 31cc, 31dd, 31ee, 31ff, 32t, 32u, 67c, 67d, 97c, 97d, 97e, 97f, and 104i; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) "Average daily attendance", for the purposes of



1 complying with federal law, means 92% of the pupils counted in
2 membership on the pupil membership count day, as defined in section
3 6(7).

4 (2) "Board" means the governing body of a district or public
5 school academy.

6 (3) "Center" means the center for educational performance and
7 information created in section 94a.

8 (4) "Community district" means a school district organized
9 under part 5b of the revised school code, **MCL 380.381 to 380.396.**

10 (5) "Cooperative education program" means a written voluntary
11 agreement between and among districts to provide certain
12 educational programs for pupils in certain groups of districts. The
13 written agreement must be approved by all affected districts at
14 least annually and must specify the educational programs to be
15 provided and the estimated number of pupils from each district who
16 will participate in the educational programs.

17 (6) "Department", except as otherwise provided in this
18 article, means the department of education.

19 (7) "District" means, **except as otherwise specifically**
20 **provided in this article**, a local school district established under
21 the revised school code or, except in sections 6(4), 6(6), **11z**, 13,
22 20, 22a, 22p, 31a, 51a(14), 105, 105c, and 166b, a public school
23 academy. Except in section 20, district also includes a community
24 district.

25 (8) "District of residence", except as otherwise provided in
26 this subsection, means the district in which a pupil's custodial
27 parent or parents or legal guardian resides. For a pupil described
28 in section 24b, the pupil's district of residence is the district
29 in which the pupil enrolls under that section. For a pupil



1 described in section 6(4)(d), the pupil's district of residence is
2 considered to be the district or intermediate district in which the
3 pupil is counted in membership under that section. For a pupil
4 under court jurisdiction who is placed outside the district in
5 which the pupil's custodial parent or parents or legal guardian
6 resides, the pupil's district of residence is considered to be the
7 educating district or educating intermediate district.

8 (9) "District superintendent" means the superintendent of a
9 district or the chief administrator of a public school academy.

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

29 (2) "District and high school graduation rate" means the



1 annual completion and pupil dropout rate that is calculated by the
2 center pursuant to nationally recognized standards.

3 (3) "District and high school graduation report" means a
4 report of the number of pupils, excluding adult education
5 participants, in the district for the immediately preceding school
6 year, adjusted for those pupils who have transferred into or out of
7 the district or high school, who leave high school with a diploma
8 or other credential of equal status.

9 (4) "Membership", except as otherwise provided in this
10 ~~subsection or this article~~, means for a district, a public school
11 academy, or an intermediate district the sum of the product of .90
12 times the number of full-time equated pupils in grades K to 12
13 actually enrolled and in regular daily attendance in the district,
14 public school academy, or intermediate district on the pupil
15 membership count day for the current school year, plus the product
16 of .10 times the final audited count from the supplemental count
17 day of full-time equated pupils in grades K to 12 actually enrolled
18 and in regular daily attendance in the district, public school
19 academy, or intermediate district for the immediately preceding
20 school year. A district's, public school academy's, or intermediate
21 district's membership is adjusted as provided under section 25e for
22 pupils who enroll after the pupil membership count day in a strict
23 discipline academy operating under sections 1311b to 1311m of the
24 revised school code, MCL 380.1311b to 380.1311m. ~~For 2021-2022~~
25 ~~only, membership means for a district, a public school academy, or~~
26 ~~an intermediate district, the sum of the product of .90 times the~~
27 ~~number of full-time equated pupils in grades K to 12 actually~~
28 ~~enrolled and in regular daily attendance in the district, public~~
29 ~~school academy, or intermediate district on the pupil membership~~



~~count day for the current school year and the product of .10 times the final audited count of the number of full-time equated pupils engaged in pandemic learning for spring 2021, or, for a public school academy that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, the final audited count from the supplemental count day of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the public school academy for the immediately preceding school year.~~ All pupil counts used in this subsection are as determined by the department and calculated by adding the number of pupils registered for attendance plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit. The amount of the foundation allowance for a pupil in membership is determined under section 20. In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, a public school academy, or an intermediate district:

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

(b) If a pupil is educated in a district other than the pupil's district of residence, if the pupil is not being educated as part of a cooperative education program, if the pupil's district of residence does not give the educating district its approval to count the pupil in membership in the educating district, and if the pupil is not covered by an exception specified in subsection (6) to



1 the requirement that the educating district must have the approval
2 of the pupil's district of residence to count the pupil in
3 membership, the pupil is not counted in membership in any district.

4 (c) A special education pupil educated by the intermediate
5 district is counted in membership in the intermediate district.

6 (d) A pupil placed by a court or state agency in an on-grounds
7 program of a juvenile detention facility, a child caring
8 institution, or a mental health institution, or a pupil funded
9 under section 53a, is counted in membership in the district or
10 intermediate district approved by the department to operate the
11 program.

12 (e) A pupil enrolled in the Michigan Schools for the Deaf and
13 Blind is counted in membership in the pupil's intermediate district
14 of residence.

15 (f) A pupil enrolled in a career and technical education
16 program supported by a millage levied over an area larger than a
17 single district or in an area vocational-technical education
18 program established under section 690 of the revised school code,
19 MCL 380.690, is counted in membership only in the pupil's district
20 of residence.

21 (g) A pupil enrolled in a public school academy is counted in
22 membership in the public school academy.

23 (h) For the purposes of this section and section 6a, for a
24 cyber school, as that term is defined in section 551 of the revised
25 school code, MCL 380.551, that is in compliance with section 553a
26 of the revised school code, MCL 380.553a, a pupil's participation
27 in the cyber school's educational program is considered regular
28 daily attendance, and for a district or public school academy, a
29 pupil's participation in a virtual course as that term is defined



in section 21f is considered regular daily attendance. **Beginning July 1, 2021, this subdivision is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.** For the purposes of this subdivision, for a pupil enrolled in a cyber school, ~~and utilizing sequential learning, all of the following apply with regard to the participation means that term as defined in the pupil accounting manual, section 5-O-D: requirements for counting pupils in membership subsection 10.~~**requirement:**

(i) Except as otherwise provided in this subdivision, the pupil shall participate in each scheduled course on pupil membership count day or supplemental count day, as applicable. If the pupil is absent on pupil membership count day or supplemental count day, as applicable, the pupil must attend and participate in class during the next 10 consecutive school days if the absence was unexcused, or during the next 30 calendar days if the absence was excused.

(ii) For a pupil who is not learning sequentially, 1 or more of the following must be met on pupil membership count day or supplemental count day, as applicable, for each scheduled course to satisfy the participation requirement under this subdivision:

(A) The pupil attended a live lesson from the teacher.

(B) The pupil logged into a lesson or lesson activity and the login can be documented.

(C) The pupil and teacher engaged in a subject-oriented telephone conversation.

(D) There is documentation of an email dialogue between the pupil and teacher.

(E) There is documentation of activity or work between the learning coach and pupil.



1 (F) An alternate form of attendance as determined and agreed
2 upon by the cyber school and the pupil membership auditor was met.

3 (iii) For a pupil using sequential learning, the participation
4 requirement under this subdivision is satisfied if either of the
5 following occurs:

6 (A) Except as otherwise provided in this sub-subparagraph, the
7 pupil and the teacher of record or mentor complete a 2-way
8 interaction for 1 course during the week on which pupil membership
9 count day or supplemental count day, as applicable, occurs, and the
10 3 consecutive weeks following that week. However, if a school break
11 is scheduled during any of the weeks described in this sub-
12 subparagraph that is 4 or more days in length or instruction has
13 been canceled districtwide during any of the weeks described in
14 this sub-subparagraph for 3 or more school days, the district is
15 not required to ensure that the pupil and the teacher of record or
16 mentor completed a 2-way interaction for that week. As used in this
17 sub-subparagraph:

18 (I) "2-way interaction" means the communication that occurs
19 between the teacher of record or mentor and pupil, where 1 party
20 initiates communication and a response from the other party follows
21 that communication. Responses as described in this sub-sub-
22 subparagraph must be to the communication initiated by the teacher
23 of record or mentor, and not some other action taken. This
24 interaction may occur through, but is not limited to, means such as
25 email, telephone, instant messaging, or face-to-face conversation.
26 A parent- or legal-guardian-facilitated 2-way interaction is
27 considered a 2-way interaction if the pupil is in any of grades K
28 to 5 and does not yet possess the skills necessary to participate
29 in 2-way interactions unassisted. The interactions described in

1 this sub-sub-subparagraph must relate to a virtual course on the
2 pupil's schedule and pertain to course content or progress.

3 (II) "Mentor" means a professional employee of the district
4 who monitors the pupil's progress, ensures the pupil has access to
5 needed technology, is available for assistance, and ensures access
6 to the teacher of record. A mentor may also be the teacher of
7 record if the mentor meets the definition of a teacher of record
8 under this sub-subparagraph and the district is the provider for
9 the course.

10 (III) "Teacher of record" means a teacher to whom all of the
11 following apply:

12 (1) He or she is responsible for providing instruction,
13 determining instructional methods for each pupil, diagnosing
14 learning needs, assessing pupil learning, prescribing intervention
15 strategies and modifying lessons, reporting outcomes, and
16 evaluating the effects of instruction and support strategies. The
17 teacher of record may coordinate the distribution and assignment of
18 the responsibilities described in this sub-sub-sub-subparagraph
19 with other teachers participating in the instructional process for
20 a course.

21 (2) He or she is certified for the grade level or is working
22 under a valid substitute permit, authorization, or approval issued
23 by the department.

24 (3) He or she has a personnel identification code provided by
25 the center.

26 (4) If applicable under section 1231 of the revised school
27 code, MCL 380.1231, he or she is employed by the district.

28 (IV) "Week" means a period that starts on Wednesday and ends
29 the following Tuesday.



1 (B) The pupil completes a combination of 1 or more of the
2 following activities for each scheduled course on pupil membership
3 count day or supplemental count day, as applicable:

4 (I) Documented attendance in a virtual course where
5 synchronous, live instruction occurred with the teacher.

6 (II) Documented completion of a course assignment.

7 (III) Documented completion of a course lesson or lesson
8 activity.

9 (IV) Documented pupil access to an ongoing lesson, which does
10 not include a login.

11 (V) Documented physical attendance on pupil membership count
12 day or supplemental count day, as applicable, in each scheduled
13 course, if the pupil will attend at least 50% of the instructional
14 time for each scheduled course on-site, face-to-face with the
15 teacher of record. As used in this sub-sub-subparagraph, "teacher
16 of record" means that term as defined in sub-subparagraph (A).

17 (iv) For purposes of subparagraph (iii), each course currently
18 being attempted by the pupil, rather than every course on the
19 pupil's schedule for the entire term, is considered a part of each
20 scheduled course for the pupil.

21 (i) For a new district or public school academy beginning its
22 operation after December 31, 1994, membership for the first 2 full
23 or partial fiscal years of operation is determined as follows:

24 (i) If operations begin before the pupil membership count day
25 for the fiscal year, membership is the average number of full-time
26 equated pupils in grades K to 12 actually enrolled and in regular
27 daily attendance on the pupil membership count day for the current
28 school year and on the supplemental count day for the current
29 school year, as determined by the department and calculated by



1 adding the number of pupils registered for attendance on the pupil
2 membership count day plus pupils received by transfer and minus
3 pupils lost as defined by rules promulgated by the superintendent,
4 and as corrected by a subsequent department audit, plus the final
5 audited count from the supplemental count day for the current
6 school year, and dividing that sum by 2.

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

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

22 (k) For an extended school year program approved by the
23 superintendent, a pupil enrolled, but not scheduled to be in
24 regular daily attendance, on a pupil membership count day, is
25 counted in membership.

26 (l) To be counted in membership, a pupil must meet the minimum
27 age requirement to be eligible to attend school under section 1147
28 of the revised school code, MCL 380.1147, ~~or must be enrolled under~~
29 ~~subsection (3) of that section,~~ and must be less than 20 years of



1 age on September 1 of the school year except as follows:

2 (i) A special education pupil who is enrolled and receiving
3 instruction in a special education program or service approved by
4 the department, who does not have a high school diploma, and who is
5 less than 26 years of age as of September 1 of the current school
6 year is counted in membership.

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

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

13 (B) Had dropped out of school.

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

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

23 (m) An individual who has achieved a high school diploma is
24 not counted in membership. An individual who has achieved a high
25 school equivalency certificate is not counted in membership unless
26 the individual is a student with a disability as that term is
27 defined in R 340.1702 of the Michigan Administrative Code. An
28 individual participating in a job training program funded under
29 former section 107a or a jobs program funded under former section



1 107b, administered by the department of labor and economic
2 opportunity, or participating in any successor of either of those 2
3 programs, is not counted in membership.

4 (n) If a pupil counted in membership in a public school
5 academy is also educated by a district or intermediate district as
6 part of a cooperative education program, the pupil is counted in
7 membership only in the public school academy unless a written
8 agreement signed by all parties designates the party or parties in
9 which the pupil is counted in membership, and the instructional
10 time scheduled for the pupil in the district or intermediate
11 district is included in the full-time equated membership
12 determination under subdivision (q) and section 101. However, for
13 pupils receiving instruction in both a public school academy and in
14 a district or intermediate district but not as a part of a
15 cooperative education program, the following apply:

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

26 (ii) If the public school academy provides instruction for less
27 than 1/2 of the class hours required under section 101, the
28 district or intermediate district providing the remainder of the
29 hours of instruction receives as its prorated share of the full-



1 time equated membership for each of those pupils an amount equal to
2 1 times the product of the hours of instruction the district or
3 intermediate district provides divided by the number of hours
4 required under section 101 for full-time equivalency, and the
5 remainder of the full-time membership for each of those pupils is
6 allocated to the public school academy.

7 (o) An individual less than 16 years of age as of September 1
8 of the current school year who is being educated in an alternative
9 education program is not counted in membership if there are also
10 adult education participants being educated in the same program or
11 classroom.

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

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

24 (r) Full-time equated memberships for pupils in kindergarten
25 are determined by dividing the number of instructional hours
26 scheduled and provided per year per kindergarten pupil by the same
27 number used for determining full-time equated memberships for
28 pupils in grades 1 to 12. However, to the extent allowable under
29 federal law, for a district or public school academy that provides



1 evidence satisfactory to the department that it used federal title
2 I money in the 2 immediately preceding school fiscal years to fund
3 full-time kindergarten, full-time equated memberships for pupils in
4 kindergarten are determined by dividing the number of class hours
5 scheduled and provided per year per kindergarten pupil by a number
6 equal to 1/2 the number used for determining full-time equated
7 memberships for pupils in grades 1 to 12. The change in the
8 counting of full-time equated memberships for pupils in
9 kindergarten that took effect for 2012-2013 is not a mandate.

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

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

27 (u) If, as a result of a disciplinary action, a district
28 determines through the district's alternative or disciplinary
29 education program that the best instructional placement for a pupil



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

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

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

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

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

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



1 count day to include the pupil in the count.

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

12 (x) If a district's membership for a particular fiscal year,
13 as otherwise calculated under this subsection, would be less than
14 1,550 pupils, the district has 4.5 or fewer pupils per square mile,
15 as determined by the department, and the district does not receive
16 funding under section 22d(2), the district's membership is
17 considered to be the membership figure calculated under this
18 subdivision. If a district educates and counts in its membership
19 pupils in grades 9 to 12 who reside in a contiguous district that
20 does not operate grades 9 to 12 and if 1 or both of the affected
21 districts request the department to use the determination allowed
22 under this sentence, the department shall include the square
23 mileage of both districts in determining the number of pupils per
24 square mile for each of the districts for the purposes of this
25 subdivision. If a district has established a community engagement
26 advisory committee in partnership with the department of treasury,
27 is required to submit a deficit elimination plan or an enhanced
28 deficit elimination plan under section 1220 of the revised school
29 code, MCL 380.1220, and is located in a city with a population



1 between 9,000 and 11,000, as determined by the department, that is
2 in a county with a population between 150,000 and 160,000, as
3 determined by the department, the district's membership is
4 considered to be the membership figure calculated under this
5 subdivision. The membership figure calculated under this
6 subdivision is the greater of the following:

7 (i) The average of the district's membership for the 3-fiscal-
8 year period ending with that fiscal year, calculated by adding the
9 district's actual membership for each of those 3 fiscal years, as
10 otherwise calculated under this subsection, and dividing the sum of
11 those 3 membership figures by 3.

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

14 (y) Full-time equated memberships for special education pupils
15 who are not enrolled in kindergarten but are enrolled in a
16 classroom program under R 340.1754 of the Michigan Administrative
17 Code are determined by dividing the number of class hours scheduled
18 and provided per year by 450. Full-time equated memberships for
19 special education pupils who are not enrolled in kindergarten but
20 are receiving early childhood special education services under R
21 340.1755 or R 340.1862 of the Michigan Administrative Code are
22 determined by dividing the number of hours of service scheduled and
23 provided per year per pupil by 180.

24 (z) A pupil of a district that begins its school year after
25 Labor Day who is enrolled in an intermediate district program that
26 begins before Labor Day is not considered to be less than a full-
27 time pupil solely due to instructional time scheduled but not
28 attended by the pupil before Labor Day.

29 (aa) For the first year in which a pupil is counted in



1 membership on the pupil membership count day in a middle college
2 program, the membership is the average of the full-time equated
3 membership on the pupil membership count day and on the
4 supplemental count day for the current school year, as determined
5 by the department. If a pupil described in this subdivision was
6 counted in membership by the operating district on the immediately
7 preceding supplemental count day, the pupil is excluded from the
8 district's immediately preceding supplemental count for the
9 purposes of determining the district's membership.

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

14 (cc) A pupil enrolled in a district other than the pupil's
15 district of residence under section 1148(2) of the revised school
16 code, MCL 380.1148, is counted in the educating district.

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



1 program and were in full attendance for a month not later than 30
2 days after the end of the month. A district shall not report a
3 pupil as being in full attendance for a month unless both of the
4 following are met:

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

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

16 (ee) A pupil participating in a virtual course under section
17 21f is counted in membership in the district enrolling the pupil.

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

28 (gg) If a special education pupil is expelled under section
29 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 is adjusted to count the
5 pupil in membership as if he or she had been in attendance on the
6 pupil membership count day.

7 (hh) A pupil enrolled in a community district is counted in
8 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 must 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
28 is an institution that, in the other state, fulfills a function
29 comparable to a state university or community college, as those



1 terms are defined in section 3 of the postsecondary enrollment
2 options act, 1996 PA 160, MCL 388.513, or is an independent
3 nonprofit degree-granting college or university.

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

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

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

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

26 (i) If the district's or public school academy's membership for
27 pupils counted under section 166b equals or exceeds 5% of the
28 district's or public school academy's membership for pupils not
29 counted in membership under section 166b in the immediately



preceding fiscal year, then the growth in the district's or public school academy's membership for pupils counted under section 166b must not exceed 10%.

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

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

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

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

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

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

(a) A nonpublic part-time pupil enrolled in grades K to 12 in



1 accordance with section 166b.

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

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

5 (d) A pupil enrolled in a district other than the pupil's
6 district of residence if the pupil is enrolled in accordance with
7 section 105 or 105c.

8 (e) A pupil who has made an official written complaint or
9 whose parent or legal guardian has made an official written
10 complaint to law enforcement officials and to school officials of
11 the pupil's district of residence that the pupil has been the
12 victim of a criminal sexual assault or other serious assault, if
13 the official complaint either indicates that the assault occurred
14 at school or that the assault was committed by 1 or more other
15 pupils enrolled in the school the pupil would otherwise attend in
16 the district of residence or by an employee of the district of
17 residence. A person who intentionally makes a false report of a
18 crime to law enforcement officials for the purposes of this
19 subdivision is subject to section 411a of the Michigan penal code,
20 1931 PA 328, MCL 750.411a, which provides criminal penalties for
21 that conduct. As used in this subdivision:

22 (i) "At school" means in a classroom, elsewhere on school
23 premises, on a school bus or other school-related vehicle, or at a
24 school-sponsored activity or event whether or not it is held on
25 school premises.

26 (ii) "Serious assault" means an act that constitutes a felony
27 violation of chapter XI of the Michigan penal code, 1931 PA 328,
28 MCL 750.81 to 750.90h, or that constitutes an assault and
29 infliction of serious or aggravated injury under section 81a of the



1 Michigan penal code, 1931 PA 328, MCL 750.81a.

2 (f) A pupil whose district of residence changed after the
3 pupil membership count day and before the supplemental count day
4 and who continues to be enrolled on the supplemental count day as a
5 nonresident in the district in which he or she was enrolled as a
6 resident on the pupil membership count day of the same school year.

7 (g) A pupil enrolled in an alternative education program
8 operated by a district other than his or her district of residence
9 who meets 1 or more of the following:

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

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

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

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

17 (h) A pupil enrolled in the Michigan Virtual School, for the
18 pupil's enrollment in the Michigan Virtual School.

19 (i) A pupil who is the child of a person who works at the
20 district or who is the child of a person who worked at the district
21 as of the time the pupil first enrolled in the district but who no
22 longer works at the district due to a workforce reduction. As used
23 in this subdivision, "child" includes an adopted child, stepchild,
24 or legal ward.

25 (j) An expelled pupil who has been denied reinstatement by the
26 expelling district and is reinstated by another school board under
27 section 1311 or 1311a of the revised school code, MCL 380.1311 and
28 380.1311a.

29 (k) A pupil enrolled in a district other than the pupil's



1 district of residence in a middle college program if the pupil's
2 district of residence and the enrolling district are both
3 constituent districts of the same intermediate district.

4 (l) A pupil enrolled in a district other than the pupil's
5 district of residence who attends a United States Olympic Education
6 Center.

7 (m) A pupil enrolled in a district other than the pupil's
8 district of residence under section 1148(2) of the revised school
9 code, MCL 380.1148.

10 (n) A pupil who enrolls in a district other than the pupil's
11 district of residence as a result of the pupil's school not making
12 adequate yearly progress under the no child left behind act of
13 2001, Public Law 107-110, or the every student succeeds act, Public
14 Law 114-95.

15 However, if a district educates pupils who reside in another
16 district and if the primary instructional site for those pupils is
17 established by the educating district after 2009-2010 and is
18 located within the boundaries of that other district, the educating
19 district must have the approval of that other district to count
20 those pupils in membership.

21 (7) "Pupil membership count day" of a district or intermediate
22 district means:

23 (a) Except as provided in subdivision (b), the first Wednesday
24 in October each school year or, for a district or building in which
25 school is not in session on that Wednesday due to conditions not
26 within the control of school authorities, with the approval of the
27 superintendent, the immediately following day on which school is in
28 session in the district or building.

29 (b) For a district or intermediate district maintaining school



1 during the entire school year, the following days:

2 (i) Fourth Wednesday in July.

3 (ii) First Wednesday in October.

4 (iii) Second Wednesday in February.

5 (iv) Fourth Wednesday in April.

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



count day of that particular year. A pupil not counted as 1.0 full-time equated membership due to an absence from a class is counted as a prorated membership for the classes the pupil attended. For purposes of this subsection, "class" means ~~either of the following, as applicable:~~

~~(a) A a period of time in 1 day when pupils and an individual who is appropriately placed under a valid certificate, substitute permit, authorization, or approval issued by the department, are together and instruction is taking place. This subdivision does not apply for the 2020-2021 and 2021-2022 school years.~~

~~(b) For the 2020-2021 and 2021-2022 school years only, a period of time in 1 day when pupils and a certificated teacher, a teacher engaged to teach under section 1233b of the revised school code, MCL 380.1233b, or an individual working under a valid substitute permit, authorization, or approval issued by the department are together and instruction is taking place.~~

~~(9) "Pupils engaged in pandemic learning for spring 2021" means that term as defined in section 6a.~~

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

(10) ~~(11)~~ "The revised school code" means the revised school code, 1976 PA 451, MCL 380.1 to 380.1852.

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

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



1 (13) ~~(14)~~ "State board" means the state board of education.

2 (14) ~~(15)~~ "Superintendent", unless the context clearly refers
3 to a district or intermediate district superintendent, means the
4 superintendent of public instruction described in section 3 of
5 article VIII of the state constitution of 1963.

6 (15) ~~(16)~~ "Supplemental count day" means the day on which the
7 supplemental pupil count is conducted under section 6a. ~~or the day~~
8 ~~specified as supplemental count day under section 6a.~~

9 (16) ~~(17)~~ "Tuition pupil" means a pupil of school age
10 attending school in a district other than the pupil's district of
11 residence for whom tuition may be charged to the district of
12 residence. Tuition pupil does not include a pupil who is a special
13 education pupil, a pupil described in subsection (6) (d) to (n), or
14 a pupil whose parent or guardian voluntarily enrolls the pupil in a
15 district that is not the pupil's district of residence. A pupil's
16 district of residence shall not require a high school tuition
17 pupil, as provided under section 111, to attend another school
18 district after the pupil has been assigned to a school district.

19 (17) ~~(18)~~ "State school aid fund" means the state school aid
20 fund established in section 11 of article IX of the state
21 constitution of 1963.

22 (18) ~~(19)~~ "Taxable value" means, except as otherwise provided
23 in this article, the taxable value of property as determined under
24 section 27a of the general property tax act, 1893 PA 206, MCL
25 211.27a.

26 (19) ~~(20)~~ "Textbook" means a book, electronic book, or other
27 instructional print or electronic resource that is selected and
28 approved by the governing board of a district and that contains a
29 presentation of principles of a subject, or that is a literary work



1 relevant to the study of a subject required for the use of
 2 classroom pupils, or another type of course material that forms the
 3 basis of classroom instruction.

4 (20) ~~(21)~~—"Total state aid" or "total state school aid",
 5 except as otherwise provided in this article, means the total
 6 combined amount of all funds due to a district, intermediate
 7 district, or other entity under this article.

8 Sec. 6a. ~~(1)~~ Except as otherwise provided in this subsection
 9 and this act, in addition to the pupil membership count day, there
 10 is a supplemental pupil count of the number of full-time equated
 11 pupils in grades K-12 actually enrolled and in regular daily
 12 attendance in a district or intermediate district on the second
 13 Wednesday in February or, for a district that is not in session on
 14 that day due to conditions not within the control of school
 15 authorities, with the approval of the superintendent, the
 16 immediately following day on which the district is in session. ~~7~~
 17 ~~but, for 2020-2021 only, in addition to the pupil membership count~~
 18 ~~day, there is a supplemental pupil count of the number of full-time~~
 19 ~~equated pupils engaged in pandemic learning for spring 2021 or, for~~
 20 ~~a district that operates as a cyber school, as that term is defined~~
 21 ~~in section 551 of the revised school code, MCL 380.551, the number~~
 22 ~~of full-time equated pupils in grades K to 12 actually enrolled and~~
 23 ~~in regular attendance in the district on 2020-2021 supplemental~~
 24 ~~count day. For the purposes of this act, and except as otherwise~~
 25 ~~provided in this subsection, the day on which the supplemental~~
 26 ~~pupil count is conducted is the supplemental count day. For 2020-~~
 27 ~~2021, for purposes of this act, and except as otherwise~~
 28 ~~specifically provided in this article, supplemental count day is~~
 29 ~~the second Wednesday in February or, for a district that is not in~~



~~session on that day due to conditions not within the control of school authorities, with the approval of the superintendent, the immediately following day on which the district is in session. A district is considered to be in session for purposes of this subsection when the district is providing pupil instruction pursuant to an extended COVID-19 learning plan approved under section 98a.~~

~~(2) As used in this section, "pupils engaged in pandemic learning for spring 2021" means pupils in grades K to 12 who are enrolled in a district, excluding a district that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, or intermediate district and to which any of the following apply:~~

~~(a) For a pupil who is not learning sequentially, any of the following occurs for each of the pupil's scheduled courses:~~

~~(i) The pupil attends a live lesson from the pupil's teacher or at least 1 of the pupil's teachers on 2020-2021 supplemental count day.~~

~~(ii) The pupil logs into an online or virtual lesson or lesson activity on 2020-2021 supplemental count day and the login can be documented by the district or intermediate district.~~

~~(iii) The pupil and the pupil's teacher or at least 1 of the pupil's teachers engage in a subject-oriented telephone conversation on 2020-2021 supplemental count day.~~

~~(iv) The district or intermediate district documents that an email dialogue occurred between the pupil and the pupil's teacher or at least 1 of the pupil's teachers on 2020-2021 supplemental count day.~~

~~(b) For a pupil who is using sequential learning, any of the~~



1 following occurs for each of the pupil's scheduled courses:

2 ~~(i) The pupil attends a virtual course where synchronous, live~~
 3 ~~instruction occurs with the pupil's teacher or at least 1 of the~~
 4 ~~pupil's teachers on 2020-2021 supplemental count day and the~~
 5 ~~attendance is documented by the district or intermediate district.~~

6 ~~(ii) The pupil completes a course assignment on 2020-2021~~
 7 ~~supplemental count day and the completion is documented by the~~
 8 ~~district or intermediate district.~~

9 ~~(iii) The pupil completes a course lesson or lesson activity on~~
 10 ~~2020-2021 supplemental count day and the completion is documented~~
 11 ~~by the district or intermediate district.~~

12 ~~(iv) The pupil accesses an ongoing lesson that is not a login~~
 13 ~~on 2020-2021 supplemental count day and the access is documented by~~
 14 ~~the district or intermediate district.~~

15 ~~(e) At a minimum, 1 2-way interaction has occurred between the~~
 16 ~~pupil and the pupil's teacher or at least 1 of the pupil's teachers~~
 17 ~~or another district employee who has responsibility for the pupil's~~
 18 ~~learning, grade progression, or academic progress during the week~~
 19 ~~on which 2020-2021 supplemental count day falls and during each~~
 20 ~~week for the 3 consecutive weeks after the week on which 2020-2021~~
 21 ~~supplemental count day falls. A district may utilize 2-way~~
 22 ~~interactions that occur under this subdivision toward meeting the~~
 23 ~~requirement under section 101(3)(h). As used in this subdivision:~~

24 ~~(i) "2-way interaction" means a communication that occurs~~
 25 ~~between a pupil and the pupil's teacher or at least 1 of the~~
 26 ~~pupil's teachers or another district employee who has~~
 27 ~~responsibility for the pupil's learning, grade progression, or~~
 28 ~~academic progress, where 1 party initiates communication and a~~
 29 ~~response from the other party follows that communication, and that~~

~~is relevant to course progress or course content for at least 1 of the courses in which the pupil is enrolled or relevant to the pupil's overall academic progress or grade progression. Responses, as described in this subparagraph, must be to communication initiated by the teacher, by another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, or by the pupil, and not some other action taken. The communication described in this subparagraph may occur through, but is not limited to, any of the following means:~~

~~(A) Email.~~

~~(B) Telephone.~~

~~(C) Instant messaging.~~

~~(D) Face-to-face conversation.~~

~~(ii) "Week" means a period beginning on Wednesday and ending on the following Tuesday.~~

~~(d) The pupil has not participated or completed an activity described in subdivision (a), (b), or (c) and the pupil was not excused from participation or completion, but the pupil participates in or completes an activity described in subdivision (a) or (b) during the 10 consecutive school days immediately following the 2020-2021 supplemental count day.~~

~~(e) The pupil has not participated or completed an activity described in subdivision (a), (b), or (c) and the pupil was excused from participation or completion, but the pupil participates in or completes an activity described in subdivision (a) or (b) during the 30 calendar days immediately following the 2020-2021 supplemental count day.~~

~~(f) The pupil meets the criteria of pupils in grades K to 12 actually enrolled and in regular daily attendance.~~



1 Sec. 8c. (1) Beginning July 1, 2021, the department shall not
 2 require, including, but not limited to, through the pupil
 3 accounting manual or pupil auditing manual, for any of the
 4 following purposes, that a cyber school, as that term is defined in
 5 section 551 of the revised school code, MCL 380.551, ensure that
 6 each pupil enrolled in the cyber school participate in all of the
 7 hours of educational services made available to the pupil by the
 8 cyber school or track a pupil's participation in the educational
 9 program offered by the cyber school through attendance:

10 (a) For the purposes of section 6(4)(h), for establishing a
 11 pupil's participation in the cyber school's educational program.
 12 However, to the extent that the cyber school is required to track a
 13 pupil's participation in the educational program offered by the
 14 cyber school through attendance as specifically specified in
 15 section 6(4)(h), it shall.

16 (b) For the receipt of any funding under this act, including,
 17 but not limited to, the receipt of funding under section 51a.

18 (c) For purposes of section 101, for the application of the
 19 exemption under section 101(11).

20 (2) It is the intent of the legislature that this section
 21 apply retroactively and is effective July 1, 2021.

22 Sec. 11. (1) For the fiscal year ending September 30, ~~2021,~~
 23 2022, there is appropriated for the public schools of this state
 24 and certain other state purposes relating to education the sum of
 25 ~~\$13,715,807,900.00~~ **\$14,769,912,700.00** from the state school aid
 26 fund, the sum of ~~\$54,464,600.00~~ **\$91,619,400.00** from the general
 27 fund, an amount not to exceed ~~\$79,800,000.00~~ **\$72,000,000.00** from
 28 the community district education trust fund created under section
 29 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an



amount not to exceed \$100.00 from the water emergency reserve fund. For the fiscal year ending September 30, ~~2022~~, **2023**, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of ~~\$14,797,232,100.00~~ **\$15,478,063,900.00** from the state school aid fund, the sum of ~~\$85,400,000.00~~ **\$98,696,500.00** from the general fund, an amount not to exceed \$72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from the water emergency reserve fund. In addition, all available federal funds are only appropriated as allocated in this article for the fiscal years ending September 30, ~~2021~~ **2022** and September 30, ~~2022~~ **2023**.

(2) The appropriations under this section are allocated as provided in this article. Money appropriated under this section from the general fund must be expended to fund the purposes of this article before the expenditure of money appropriated under this section from the state school aid fund.

(3) Any general fund allocations under this article that are not expended by the end of the fiscal year are transferred to the school aid stabilization fund created under section 11a.

Sec. 11a. (1) The school aid stabilization fund is created as a separate account within the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the school aid stabilization fund. The state treasurer shall deposit into the school aid stabilization fund all of the following:

(a) Unexpended and unencumbered state school aid fund revenue for a fiscal year that remains in the state school aid fund as of



1 the bookclosing for that fiscal year.

2 (b) Money statutorily dedicated to the school aid
3 stabilization fund.

4 (c) Money appropriated to the school aid stabilization fund.

5 (3) Money available in the school aid stabilization fund may
6 not be expended without a specific appropriation from the school
7 aid stabilization fund. Money in the school aid stabilization fund
8 must be expended only for purposes for which state school aid fund
9 money may be expended.

10 (4) The state treasurer shall direct the investment of the
11 school aid stabilization fund. The state treasurer shall credit to
12 the school aid stabilization fund interest and earnings from fund
13 investments.

14 (5) Money in the school aid stabilization fund at the close of
15 a fiscal year remains in the school aid stabilization fund and does
16 not lapse to the unreserved school aid fund balance or the general
17 fund.

18 (6) If the maximum amount appropriated under section 11 from
19 the state school aid fund for a fiscal year exceeds the amount
20 available for expenditure from the state school aid fund for that
21 fiscal year, there is appropriated from the school aid
22 stabilization fund to the state school aid fund an amount equal to
23 the projected shortfall as determined by the department of
24 treasury, but not to exceed available money in the school aid
25 stabilization fund. If the money in the school aid stabilization
26 fund is insufficient to fully fund an amount equal to the projected
27 shortfall, the state budget director shall notify the legislature
28 as required under section 296(2) and state payments in an amount
29 equal to the remainder of the projected shortfall must be prorated



1 in the manner provided under section 296(3).

2 (7) For ~~2021-2022~~, **2022-2023**, in addition to the
3 appropriations in section 11, there is appropriated from the school
4 aid stabilization fund to the state school aid fund the amount
5 necessary to fully fund the allocations under this article.

6 Sec. 11j. From the state school aid fund money appropriated in
7 section 11, there is allocated an amount not to exceed
8 \$111,000,000.00 for ~~2021-2022~~**2022-2023** for payments to the school
9 loan bond redemption fund in the department of treasury on behalf
10 of districts and intermediate districts. Notwithstanding section
11 296 or any other provision of this act, funds allocated under this
12 section are not subject to proration and must be paid in full.

13 Sec. 11k. For ~~2021-2022~~, **2022-2023**, there is appropriated from
14 the general fund to the school loan revolving fund an amount equal
15 to the amount of school bond loans assigned to the Michigan finance
16 authority, not to exceed the total amount of school bond loans held
17 in reserve as long-term assets. As used in this section, "school
18 loan revolving fund" means that fund created in section 16c of the
19 shared credit rating act, 1985 PA 227, MCL 141.1066c.

20 Sec. 11m. From the state school aid fund money appropriated in
21 section 11, there is allocated for ~~2020-2021 an amount not to~~
22 ~~exceed \$8,700,000.00 and there is allocated for 2021-2022~~ **2022-2023**
23 an amount not to exceed ~~\$9,500,000.00~~ **\$10,400,000.00** for fiscal
24 year cash-flow borrowing costs solely related to the state school
25 aid fund established under section 11 of article IX of the state
26 constitution of 1963.

27 Sec. 11s. (1) From the state school aid fund money
28 appropriated in section 11, there is allocated \$5,000,000.00 for
29 ~~2021-2022~~ **2022-2023** and from the general fund money appropriated in



1 section 11, there is allocated \$3,075,000.00 for ~~2021-2022-2022-~~
 2 **2023** for the purpose of providing services and programs to children
 3 who reside within the boundaries of a district with the majority of
 4 its territory located within the boundaries of a city for which an
 5 executive proclamation of emergency concerning drinking water is
 6 issued in the current or immediately preceding ~~6-7~~ fiscal years
 7 under the emergency management act, 1976 PA 390, MCL 30.401 to
 8 30.421, **and that had at least 4,500 pupils in membership for the**
 9 **2016-2017 fiscal year or has at least 3,000 pupils in membership**
 10 **for a fiscal year after 2016-2017.** From the funding appropriated in
 11 section 11, there is allocated for ~~2021-2022-2022-2023~~ \$100.00 from
 12 the water emergency reserve fund for the purposes of this section.

13 (2) From the general fund money allocated in subsection (1),
 14 there is allocated to a district with the majority of its territory
 15 located within the boundaries of a city for which an executive
 16 proclamation of emergency concerning drinking water is issued in
 17 the current or immediately preceding ~~6-7~~ fiscal years **under the**
 18 **emergency management act, 1976 PA 390, MCL 30.401 to 30.421,** and
 19 that has at least 4,500 pupils in membership for the 2016-2017
 20 fiscal year or has at least 3,000 pupils in membership for a fiscal
 21 year after 2016-2017, an amount not to exceed \$2,425,000.00 for
 22 ~~2021-2022-2022-2023~~ for the purpose of employing school nurses,
 23 classroom aides, and school social workers. The district shall
 24 provide a report to the department in a form, manner, and frequency
 25 prescribed by the department. The department shall provide a copy
 26 of that report to the governor, the house and senate school aid
 27 subcommittees, the house and senate fiscal agencies, and the state
 28 budget director within 5 days after receipt. The report must
 29 provide at least the following information:



1 (a) How many personnel were hired using the funds allocated
2 under this subsection.

3 (b) A description of the services provided to pupils by those
4 personnel.

5 (c) How many pupils received each type of service identified
6 in subdivision (b).

7 (d) Any other information the department considers necessary
8 to ensure that the children described in subsection (1) received
9 appropriate levels and types of services.

10 (3) ~~For 2020-2021, from the state school aid fund money~~
11 ~~appropriated in section 11, there is allocated \$2,400,000.00, and,~~
12 ~~for 2021-2022, For 2022-2023, from the state school aid fund money~~
13 allocated in subsection (1), there is allocated an amount not to
14 exceed \$2,000,000.00 to an intermediate district that has a
15 constituent district described in subsection (2) to provide state
16 early intervention services for children described in subsection
17 (1) who are between age 3 and age 5. The intermediate district
18 shall use these funds to provide state early intervention services
19 that are similar to the services described in the early on Michigan
20 state plan.

21 (4) From the state school aid fund money allocated in
22 subsection (1), there is allocated an amount not to exceed
23 \$1,000,000.00 for ~~2021-2022~~ **2022-2023** to the intermediate district
24 described in subsection (3) to enroll children described in
25 subsection (1) in school-day great start readiness programs,
26 regardless of household income eligibility requirements contained
27 in section 32d. The department shall administer this funding
28 consistent with all other provisions that apply to great start
29 readiness programs under sections 32d and 39.



1 (5) For ~~2021-2022,~~ **2022-2023**, from the general fund money
2 allocated in subsection (1), there is allocated an amount not to
3 exceed \$650,000.00 for nutritional services to children described
4 in subsection (1).

5 (6) For ~~2021-2022,~~ **2022-2023**, from the state school aid fund
6 money allocated in subsection (1), there is allocated an amount not
7 to exceed \$2,000,000.00 to the intermediate district described in
8 subsection (3) for interventions and supports for students in K to
9 12 who were impacted by an executive proclamation of emergency
10 described in subsection (1) concerning drinking water. Funds under
11 this subsection must be used for behavioral supports, social
12 workers, counselors, psychologists, nursing services, including,
13 but not limited to, vision and hearing services, transportation
14 services, parental engagement, community coordination, and other
15 support services.

16 ~~(7) In addition to the allocation under subsection (1), from~~
17 ~~the general fund money appropriated under section 11, there is~~
18 ~~allocated an amount not to exceed \$1,000,000.00 for 2021-2022 only~~
19 ~~for an early childhood collaborative that serves students located~~
20 ~~in a county with a population of not less than 400,000 or more than~~
21 ~~500,000. The funds allocated under this subsection must be used to~~
22 ~~continue the expansion of early childhood services in response to~~
23 ~~an executive proclamation of emergency described in this section~~
24 ~~concerning drinking water.~~

25 ~~(8) In addition to the allocation under subsection (1), from~~
26 ~~the general fund money appropriated under section 11, there is~~
27 ~~allocated an amount not to exceed \$1,384,900.00 for 2021-2022 only~~
28 ~~for the early childhood collaborative described in subsection (7)~~
29 ~~to be used in support of enrollment software and staff. The~~



~~collaborative described in this subsection may use back-office supports from Genesee Intermediate School District and the Genesee County Community Action Resource Department to reduce project costs for purposes of this subsection. The collaborative described in this subsection must ensure that all of the following are met:~~

~~(a) It chooses an enrollment program for purposes of this subsection that provides families with all of the following:~~

~~(i) A coordinated information campaign.~~

~~(ii) Coordinated eligibility determination and preferences.~~

~~(iii) A coordinated application.~~

~~(iv) Highly qualified full-time and seasonal enrollment and analytics staff.~~

~~(v) Content built with language services, program overhead, equipment, and supplies.~~

~~(b) The enrollment program selected by the collaborative for purposes of this subsection has a record of improving enrollment in New Orleans.~~

~~(c) The enrollment program selected by the collaborative for purposes of this subsection received funds from the C.S. Mott Foundation for the project.~~

~~(d) It complies with application and reporting requirements as determined by the department.~~

~~(e) It allocates the funds received under this subsection over 3 phases, to provide explicit, targeted enrollment within an individualized enrollment system that continually adjusts to a family's needs.~~

~~(7) (9)~~—In addition to other funding allocated and appropriated in this section, there is appropriated an amount not to exceed \$5,000,000.00 for ~~2021-2022~~ **2022-2023** for state



1 restricted contingency funds. These contingency funds are not
 2 available for expenditure until they have been transferred to a
 3 section within this article under section 393(2) of the management
 4 and budget act, 1984 PA 431, MCL 18.1393.

5 (8) ~~(10)~~ Notwithstanding section 17b, the department shall
 6 make payments under this section on a schedule determined by the
 7 department.

8 **Sec. 11z. (1) From the state school aid fund money**
 9 **appropriated in section 11, there is allocated \$500,000,000.00 to**
 10 **eligible districts for the purposes described in this section.**

11 (2) Except as otherwise provided in this subsection, to
 12 receive funding under this section, a district must apply for the
 13 funding to the department of treasury, in a form and manner
 14 prescribed by the department of treasury. In its application
 15 described in this subsection, a district must pledge that it will
 16 use funding received under this section to pay assumed bonded
 17 indebtedness as described in subsection (3) and to decrease the
 18 rate of the millage it levies on its school electors for payment of
 19 the assumed bonded indebtedness described in this subsection to a
 20 rate that is not greater than the millage rate levied by the
 21 original district that levied the lowest millage rate for payment
 22 of bonded indebtedness before the consolidation described in
 23 subsection (4) (a) of all of the original school districts subject
 24 to the consolidation.

25 (3) An eligible district that receives funding under this
 26 section shall use the funding only to pay the assumed bonded
 27 indebtedness of 1 or more original districts that were subject to
 28 the consolidation described in subsection (4) (a).

29 (4) As used in this section, "eligible district" means a



1 district to which both of the following apply:

2 (a) The district was formed through the consolidation of 1 or
3 more districts as prescribed in the revised school code.

4 (b) The district has assumed the bonded indebtedness of 1 or
5 more original districts that were subject to the consolidation
6 described in subdivision (a).

7 Sec. 15. (1) If a district or intermediate district fails to
8 receive its proper apportionment, the department, upon satisfactory
9 proof that the district or intermediate district was entitled
10 justly, shall apportion the deficiency in the next apportionment.
11 Subject to subsections (2) and (3), if a district or intermediate
12 district has received more than its proper apportionment, the
13 department, upon satisfactory proof, shall deduct the excess in the
14 next apportionment. Notwithstanding any other provision in this
15 article, state aid overpayments to a district, other than
16 overpayments in payments for special education or special education
17 transportation, may be recovered from any payment made under this
18 article other than a special education or special education
19 transportation payment, from the proceeds of a loan to the district
20 under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to
21 141.942, or from the proceeds of millage levied or pledged under
22 section 1211 of the revised school code, MCL 380.1211. State aid
23 overpayments made in special education or special education
24 transportation payments may be recovered from subsequent special
25 education or special education transportation payments, from the
26 proceeds of a loan to the district under the emergency municipal
27 loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds
28 of millage levied or pledged under section 1211 of the revised
29 school code, MCL 380.1211.



1 (2) If the result of an audit conducted by or for the
2 department affects the current fiscal year membership, the
3 department shall adjust affected payments in the current fiscal
4 year. A deduction due to an adjustment made as a result of an audit
5 conducted by or for the department, or as a result of information
6 obtained by the department from the district, an intermediate
7 district, the department of treasury, or the office of auditor
8 general, must be deducted from the district's apportionments when
9 the adjustment is finalized. At the request of the district and
10 upon the district presenting evidence satisfactory to the
11 department of the hardship, the department may grant up to an
12 additional 4 years for the adjustment and may advance payments to
13 the district otherwise authorized under this article if the
14 district would otherwise experience a significant hardship in
15 satisfying its financial obligations. However, a district that
16 presented satisfactory evidence of hardship and was undergoing an
17 extended adjustment during 2018-2019 may continue to use the period
18 of extended adjustment as originally granted by the department.

19 (3) If, based on an audit by the department or the
20 department's designee or because of new or updated information
21 received by the department, the department determines that the
22 amount paid to a district or intermediate district under this
23 article for the current fiscal year or a prior fiscal year was
24 incorrect, the department shall make the appropriate deduction or
25 payment in the district's or intermediate district's allocation in
26 the next apportionment after the adjustment is finalized. The
27 department shall calculate the deduction or payment according to
28 the law in effect in the fiscal year in which the incorrect amount
29 was paid. If the district does not receive an allocation for the



1 fiscal year or if the allocation is not sufficient to pay the
2 amount of any deduction, the amount of any deduction otherwise
3 applicable must be satisfied from the proceeds of a loan to the
4 district under the emergency municipal loan act, 1980 PA 243, MCL
5 141.931 to 141.942, or from the proceeds of millage levied or
6 pledged under section 1211 of the revised school code, MCL
7 380.1211, as determined by the department.

8 (4) If the department makes an adjustment under this section
9 based in whole or in part on a membership audit finding that a
10 district or intermediate district employed an educator in violation
11 of certification requirements under the revised school code and
12 rules promulgated by the department, the department shall prorate
13 the adjustment according to the period of noncompliance with the
14 certification requirements.

15 (5) The department may conduct audits, or may direct audits by
16 designee of the department, for the current fiscal year and the
17 immediately preceding fiscal year of all records related to a
18 program for which a district or intermediate district has received
19 funds under this article.

20 (6) Expenditures made by the department under this article
21 that are caused by the write-off of prior year accruals may be
22 funded by revenue from the write-off of prior year accruals.

23 (7) In addition to funds appropriated in section 11 for all
24 programs and services, there is appropriated for ~~2021-2022-2022-~~
25 **2023** for obligations in excess of applicable appropriations an
26 amount equal to the collection of overpayments, but not to exceed
27 amounts available from overpayments.

28 Sec. 18. (1) Except as provided in another section of this
29 article, each district or other entity shall apply the money



1 received by the district or entity under this article to salaries
2 and other compensation of teachers and other employees, tuition,
3 transportation, lighting, heating, ventilation, water service, the
4 purchase of textbooks, other supplies, and any other school
5 operating expenditures defined in section 7. However, not more than
6 20% of the total amount received by a district under sections 22a
7 and 22b or received by an intermediate district under section 81
8 may be transferred by the board to either the capital projects fund
9 or to the debt retirement fund for debt service. A district or
10 other entity shall not apply or take the money for a purpose other
11 than as provided in this section. The department shall determine
12 the reasonableness of expenditures and may withhold from a
13 recipient of funds under this article the apportionment otherwise
14 due upon a violation by the recipient. A district must not be
15 prohibited or limited from using funds appropriated or allocated
16 under this article that are permitted for use for noninstructional
17 services to contract or subcontract with an intermediate district,
18 third party, or vendor for the noninstructional services.

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

29 (a) The annual operating budget and subsequent budget



1 revisions.

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

6 (i) A chart of personnel expenditures, broken into the
7 following subcategories:

8 (A) Salaries and wages.

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

12 (C) Retirement benefit costs.

13 (D) All other personnel costs.

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

16 (A) Instruction.

17 (B) Support services.

18 (C) Business and administration.

19 (D) Operations and maintenance.

20 (c) Links to all of the following:

21 (i) The current collective bargaining agreement for each
22 bargaining unit.

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

27 (iii) The audit report of the financial audit conducted under
28 subsection (4) for the most recent fiscal year for which it is
29 available.



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

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

5 (vi) The district's written policy establishing specific
6 categories of reimbursable expenses, as described in section
7 1254(2) of the revised school code, MCL 380.1254.

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

13 (d) The total salary and a description and cost of each fringe
14 benefit included in the compensation package for the superintendent
15 of the district and for each employee of the district whose salary
16 exceeds \$100,000.00.

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

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

21 (g) Any deficit elimination plan or enhanced deficit
22 elimination plan the district was required to submit under the
23 revised school code.

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

29 (i) Costs incurred for each instance of out-of-state travel by



1 the school administrator of the district that is fully or partially
2 paid for by the district and the details of each of those instances
3 of out-of-state travel, including at least identification of each
4 individual on the trip, destination, and purpose.

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

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

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

27 (b) If a district operates in a single building with fewer
28 than 700 full-time equated pupils, if the district has stable
29 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 must 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 must 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 membership
24 audit reports, **known as the audit narrative**, for its constituent
25 districts and for the intermediate district, for the pupil
26 membership count day and supplemental count day, in the Michigan
27 student data system.

28 (f) The annual financial audit reports and pupil accounting
29 procedures reports must be available to the public in compliance



1 with the freedom of information act, 1976 PA 442, MCL 15.231 to
2 15.246.

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

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



1 level of detail consistent with the manual as part of the
2 comprehensive annual financial report.

3 (6) By the last business day in September of each year, each
4 district and intermediate district shall file with the center the
5 special education actual cost report, known as "SE-4096", on a form
6 and in the manner prescribed by the center. An intermediate
7 district shall certify the audit of a district's report.

8 (7) By not later than 1 week after the last business day in
9 September of each year, each district and intermediate district
10 shall file with the center the audited transportation expenditure
11 report, known as "SE-4094", on a form and in the manner prescribed
12 by the center. An intermediate district shall certify the audit of
13 a district's report.

14 (8) The department shall review its pupil accounting and pupil
15 auditing manuals at least annually and shall periodically update
16 those manuals to reflect changes in this article. Any changes to
17 the pupil accounting manual that are applicable for the school year
18 that begins after March 31 of a fiscal year must be published by
19 not later than March 31 of that fiscal year. However, if
20 legislation is enacted that necessitates adjustments to the pupil
21 accounting manual after March 31 of a fiscal year, and a district
22 incurs a violation of the amended pupil accounting manual in the
23 subsequent fiscal year, the department must notify the district of
24 that violation and allow the district 30 days to correct the
25 violation before the department is allowed to impose financial
26 penalties under this act related to the violation.

27 (9) If a district that is a public school academy purchases
28 property using money received under this article, the public school
29 academy shall retain ownership of the property unless the public



1 school academy sells the property at fair market value.

2 (10) If a district or intermediate district does not comply
3 with subsections (4), (5), (6), (7), and (12), or if the department
4 determines that the financial data required under subsection (5)
5 are not consistent with audited financial statements, the
6 department shall withhold all state school aid due to the district
7 or intermediate district under this article, beginning with the
8 next payment due to the district or intermediate district, until
9 the district or intermediate district complies with subsections
10 (4), (5), (6), (7), and (12). If the district or intermediate
11 district does not comply with subsections (4), (5), (6), (7), and
12 (12) by the end of the fiscal year, the district or intermediate
13 district forfeits the amount withheld.

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

23 (12) By November 1 of each year, if a district or intermediate
24 district offers virtual learning under section 21f, or for a school
25 of excellence that is a cyber school, as defined in section 551 of
26 the revised school code, MCL 380.551, the district or intermediate
27 district shall submit to the department a report that details the
28 per-pupil costs of operating the virtual learning by vendor type
29 and virtual learning model. The report must include information



1 concerning the operation of virtual learning for the immediately
2 preceding school fiscal year, including information concerning
3 summer programming. Information must be collected in a form and
4 manner determined by the department and must be collected in the
5 most efficient manner possible to reduce the administrative burden
6 on reporting entities.

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

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

16 (a) Virtual courses provided by the Michigan Virtual
17 University.

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

21 (c) Virtual courses provided by third party vendors not
22 affiliated with a public school in this state.

23 (d) Virtual courses created and offered by a district or
24 intermediate district.

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

28 (16) The department shall annually submit to the senate and
29 house subcommittees on school aid and to the senate and house



1 standing committees on education an itemized list of allocations
2 under this article to any association or consortium consisting of
3 associations in the immediately preceding fiscal year. The report
4 must detail the recipient or recipients, the amount allocated, and
5 the purpose for which the funds were distributed.

6 Sec. 20. (1) ~~For 2021-2022, both~~ **All** of the following apply:

7 (a) ~~The~~ **For 2021-2022, the** target foundation allowance is
8 \$8,700.00.

9 (b) ~~The~~ **For 2021-2022, the** minimum foundation allowance is
10 \$8,700.00.

11 (c) **For 2022-2023, the target foundation allowance is**
12 **\$9,150.00.**

13 (2) The department shall calculate the amount of each
14 district's foundation allowance as provided in this section, using
15 a target foundation allowance in the amount specified in subsection
16 (1).

17 (3) Except as otherwise provided in this section, the
18 department shall calculate the amount of a district's foundation
19 allowance as follows, using in all calculations the total amount of
20 the district's foundation allowance as calculated before any
21 proration:

22 (a) **For 2021-2022, for a district that had a foundation**
23 **allowance for the immediately preceding fiscal year that was at**
24 **least equal to the minimum foundation allowance for the immediately**
25 **preceding fiscal year, but less than the target foundation**
26 **allowance for the immediately preceding fiscal year, the district's**
27 **foundation allowance is \$8,700.00.** Except as otherwise provided in
28 this subdivision, except for 2021-2022, for a district that had a
29 foundation allowance for the immediately preceding fiscal year that



~~was at least equal to the minimum foundation allowance for the immediately preceding fiscal year, but less than **equal to** the target foundation allowance for the immediately preceding fiscal year, the district receives a foundation allowance in an amount equal to **the target foundation allowance for the current fiscal year.** the sum of the district's foundation allowance for the immediately preceding fiscal year plus the difference between twice the dollar amount of the adjustment from the immediately preceding fiscal year to the current fiscal year made in the target foundation allowance and [(the difference between the target foundation allowance for the current fiscal year and target foundation allowance for the immediately preceding fiscal year minus \$40.00) times (the difference between the district's foundation allowance for the immediately preceding fiscal year and the minimum foundation allowance for the immediately preceding fiscal year) divided by the difference between the target foundation allowance for the current fiscal year and the minimum foundation allowance for the immediately preceding fiscal year.]~~
~~The foundation allowance for a district that had less than the target foundation allowance for the immediately preceding fiscal year must not exceed the target foundation allowance for the current fiscal year. For 2021-2022, for a district that had a foundation allowance for the immediately preceding fiscal year that was at least equal to the minimum foundation allowance for the immediately preceding fiscal year, but less than the target foundation allowance for the immediately preceding fiscal year, the district's foundation allowance is \$8,700.00.~~

(b) Except as otherwise provided in this subsection, for a district that in the immediately preceding fiscal year had a

1 foundation allowance in an amount equal to the amount of the target
2 foundation allowance for the immediately preceding fiscal year, the
3 district receives a foundation allowance for 2021-2022 in an amount
4 equal to the target foundation allowance for 2021-2022. **This**
5 **subdivision does not apply after the 2021-2022 fiscal year.**

6 (c) For a district that had a foundation allowance for the
7 immediately preceding fiscal year that was greater than the target
8 foundation allowance for the immediately preceding fiscal year, the
9 district's foundation allowance is an amount equal to the sum of
10 the district's foundation allowance for the immediately preceding
11 fiscal year plus the lesser of the increase in the target
12 foundation allowance for the current fiscal year, as compared to
13 the immediately preceding fiscal year, or the product of the
14 district's foundation allowance for the immediately preceding
15 fiscal year times the percentage increase in the United States
16 Consumer Price Index in the calendar year ending in the immediately
17 preceding fiscal year as reported by the May revenue estimating
18 conference conducted under section 367b of the management and
19 budget act, 1984 PA 431, MCL 18.1367b. **This subdivision does not**
20 **apply after the 2021-2022 fiscal year.**

21 (d) For a district that had a foundation allowance for the
22 immediately preceding fiscal year that was greater than the target
23 foundation allowance for the immediately preceding fiscal year, the
24 district's foundation allowance is an amount equal to the lesser of
25 (the sum of the district's foundation allowance for the immediately
26 preceding fiscal year plus any per pupil amount calculated under
27 section 20m(2) in the immediately preceding fiscal year plus the
28 increase in the target foundation allowance for the current fiscal
29 year, as compared to the immediately preceding fiscal year) or (the



product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b). This subdivision does not apply for the 2021-2022 fiscal year.

(e) For a district that has a foundation allowance that is less than the target foundation allowance in the current fiscal year but had a foundation allowance in fiscal year 2020-2021 that was greater than the target foundation allowance in effect for that fiscal year, the district's foundation allowance is an amount equal to the lesser of (the sum of the district's foundation allowance for fiscal year 2020-2021 plus the increase in the target foundation allowance for the current fiscal year, as compared to fiscal year 2020-2021) or (the product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b). This subdivision does not apply for the 2021-2022 fiscal year.

(f) ~~(d)~~ For a district that has a foundation allowance that is not a whole dollar amount, the department shall round the district's foundation allowance up to the nearest whole dollar.

(4) Except as otherwise provided in this subsection, ~~beginning in 2021-2022,~~ the state portion of a district's foundation allowance is an amount equal to the district's foundation allowance



1 or the target foundation allowance for the current fiscal year,
2 whichever is less, minus the local portion of the district's
3 foundation allowance. **Except as otherwise provided in this**
4 **subsection, for a district described in subsection (3)(c), (d), and**
5 **(e), beginning in 2021-2022, the state portion of the district's**
6 **foundation allowance is an amount equal to the target foundation**
7 **allowance minus the district's foundation allowance supplemental**
8 **payment per pupil calculated under section 20m and minus the local**
9 **portion of the district's foundation allowance.** For a district that
10 has a millage reduction required under section 31 of article IX of
11 the state constitution of 1963, the department shall calculate the
12 state portion of the district's foundation allowance as if that
13 reduction did not occur. For a receiving district, if school
14 operating taxes continue to be levied on behalf of a dissolved
15 district that has been attached in whole or in part to the
16 receiving district to satisfy debt obligations of the dissolved
17 district under section 12 of the revised school code, MCL 380.12,
18 the taxable value per membership pupil of property in the receiving
19 district used for the purposes of this subsection does not include
20 the taxable value of property within the geographic area of the
21 dissolved district. For a community district, if school operating
22 taxes continue to be levied by a qualifying school district under
23 section 12b of the revised school code, MCL 380.12b, with the same
24 geographic area as the community district, the taxable value per
25 membership pupil of property in the community district to be used
26 for the purposes of this subsection does not include the taxable
27 value of property within the geographic area of the community
28 district.

29 (5) The allocation calculated under this section for a pupil



1 is based on the foundation allowance of the pupil's district of
 2 residence. For a pupil enrolled under section 105 or 105c in a
 3 district other than the pupil's district of residence, the
 4 allocation calculated under this section is based on the lesser of
 5 the foundation allowance of the pupil's district of residence or
 6 the foundation allowance of the educating district. For a pupil in
 7 membership in a K-5, K-6, or K-8 district who is enrolled in
 8 another district in a grade not offered by the pupil's district of
 9 residence, the allocation calculated under this section is based on
 10 the foundation allowance of the educating district if the educating
 11 district's foundation allowance is greater than the foundation
 12 allowance of the pupil's district of residence. The calculation
 13 under this subsection must take into account a district's per-pupil
 14 allocation under section 20m.

15 (6) Except as otherwise provided in this subsection, for
 16 pupils in membership, other than special education pupils, in a
 17 public school academy, the allocation calculated under this section
 18 is an amount per membership pupil other than special education
 19 pupils in the public school academy equal to, **for 2021-2022**, the
 20 minimum foundation allowance specified in subsection ~~(1)~~.—**(1) (b)**
 21 **and, for 2022-2023, the target foundation allowance specified in**
 22 **subsection (1) (c)**. Notwithstanding section 101, for a public school
 23 academy that begins operations after the pupil membership count
 24 day, the amount per membership pupil calculated under this
 25 subsection must be adjusted by multiplying that amount per
 26 membership pupil by the number of hours of pupil instruction
 27 provided by the public school academy after it begins operations,
 28 as determined by the department, divided by the minimum number of
 29 hours of pupil instruction required under section 101(3). The



1 result of this calculation must not exceed the amount per
2 membership pupil otherwise calculated under this subsection.

3 (7) For pupils in membership, other than special education
4 pupils, in a community district, the allocation calculated under
5 this section is an amount per membership pupil other than special
6 education pupils in the community district equal to the foundation
7 allowance of the qualifying school district, as described in
8 section 12b of the revised school code, MCL 380.12b, that is
9 located within the same geographic area as the community district.

10 (8) Subject to subsection (4), for a district that is formed
11 or reconfigured after June 1, 2002 by consolidation of 2 or more
12 districts or by annexation, the resulting district's foundation
13 allowance under this section beginning after the effective date of
14 the consolidation or annexation is the lesser of the sum of the
15 average of the foundation allowances of each of the original or
16 affected districts, calculated as provided in this section,
17 weighted as to the percentage of pupils in total membership in the
18 resulting district who reside in the geographic area of each of the
19 original or affected districts plus \$100.00 or the highest
20 foundation allowance among the original or affected districts. This
21 subsection does not apply to a receiving district unless there is a
22 subsequent consolidation or annexation that affects the district.
23 The calculation under this subsection must take into account a
24 district's per-pupil allocation under section 20m.

25 (9) The department shall round each fraction used in making
26 calculations under this section to the fourth decimal place and
27 shall round the dollar amount of an increase in the target
28 foundation allowance to the nearest whole dollar.

29 (10) State payments related to payment of the foundation



1 allowance for a special education pupil are not calculated under
2 this section but are instead calculated under section 51a.

3 (11) To assist the legislature in determining the target
4 foundation allowance for the subsequent fiscal year, each revenue
5 estimating conference conducted under section 367b of the
6 management and budget act, 1984 PA 431, MCL 18.1367b, must
7 calculate a pupil membership factor, a revenue adjustment factor,
8 and an index as follows:

9 (a) The pupil membership factor is computed by dividing the
10 estimated membership in the school year ending in the current
11 fiscal year, excluding intermediate district membership, by the
12 estimated membership for the school year ending in the subsequent
13 fiscal year, excluding intermediate district membership. If a
14 consensus membership factor is not determined at the revenue
15 estimating conference, the principals of the revenue estimating
16 conference shall report their estimates to the house and senate
17 subcommittees responsible for school aid appropriations not later
18 than 7 days after the conclusion of the revenue conference.

19 (b) The revenue adjustment factor is computed by dividing the
20 sum of the estimated total state school aid fund revenue for the
21 subsequent fiscal year plus the estimated total state school aid
22 fund revenue for the current fiscal year, adjusted for any change
23 in the rate or base of a tax the proceeds of which are deposited in
24 that fund and excluding money transferred into that fund from the
25 countercyclical budget and economic stabilization fund under the
26 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by
27 the sum of the estimated total school aid fund revenue for the
28 current fiscal year plus the estimated total state school aid fund
29 revenue for the immediately preceding fiscal year, adjusted for any



1 change in the rate or base of a tax the proceeds of which are
2 deposited in that fund. If a consensus revenue factor is not
3 determined at the revenue estimating conference, the principals of
4 the revenue estimating conference shall report their estimates to
5 the house and senate subcommittees responsible for school aid
6 appropriations not later than 7 days after the conclusion of the
7 revenue conference.

8 (c) The index is calculated by multiplying the pupil
9 membership factor by the revenue adjustment factor. If a consensus
10 index is not determined at the revenue estimating conference, the
11 principals of the revenue estimating conference shall report their
12 estimates to the house and senate subcommittees responsible for
13 state school aid appropriations not later than 7 days after the
14 conclusion of the revenue conference.

15 (12) Payments to districts and public school academies are not
16 made under this section. Rather, the calculations under this
17 section are used to determine the amount of state payments under
18 section 22b.

19 (13) If an amendment to section 2 of article VIII of the state
20 constitution of 1963 allowing state aid to some or all nonpublic
21 schools is approved by the voters of this state, each foundation
22 allowance or per-pupil payment calculation under this section may
23 be reduced.

24 (14) As used in this section:

25 (a) "Certified mills" means the lesser of 18 mills or the
26 number of mills of school operating taxes levied by the district in
27 1993-94.

28 ~~(b) "Combined state and local revenue" means the aggregate of~~
29 ~~the district's state school aid received by or paid on behalf of~~



~~the district under this section and the district's local school operating revenue.~~

~~(c) "Combined state and local revenue per membership pupil" means the district's combined state and local revenue divided by the district's membership excluding special education pupils.~~

(b) ~~(d)~~ "Current fiscal year" means the fiscal year for which a particular calculation is made.

(c) ~~(e)~~ "Dissolved district" means a district that loses its organization, has its territory attached to 1 or more other districts, and is dissolved as provided under section 12 of the revised school code, MCL 380.12.

(d) ~~(f)~~ "Immediately preceding fiscal year" means the fiscal year immediately preceding the current fiscal year.

(e) ~~(g)~~ "Local portion of the district's foundation allowance" means an amount that is equal to the difference between (the sum of the product of the taxable value per membership pupil of all property in the district that is nonexempt property times the district's certified mills and, for a district with certified mills exceeding 12, the product of the taxable value per membership pupil of property in the district that is commercial personal property times the certified mills minus 12 mills) and (the quotient of the product of the captured assessed valuation under tax increment financing acts times the district's certified mills divided by the district's membership excluding special education pupils).

~~(h) "Local school operating revenue" means school operating taxes levied under section 1211 of the revised school code, MCL 380.1211. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy~~



~~debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, local school operating revenue does not include school operating taxes levied within the geographic area of the dissolved district.~~

~~(i) "Local school operating revenue per membership pupil" means a district's local school operating revenue divided by the district's membership excluding special education pupils.~~

(f) ~~(j)~~—"Membership" means the definition of that term under section 6 as in effect for the particular fiscal year for which a particular calculation is made.

(g) ~~(k)~~—"Nonexempt property" means property that is not a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, or property occupied by a public school academy.

(h) ~~(l)~~—"Principal residence", "qualified agricultural property", "qualified forest property", "supportive housing property", "industrial personal property", and "commercial personal property" mean those terms as defined in section 1211 of the revised school code, MCL 380.1211.

(i) ~~(m)~~—"Receiving district" means a district to which all or part of the territory of a dissolved district is attached under section 12 of the revised school code, MCL 380.12.

(j) ~~(n)~~—"School operating purposes" means the purposes included in the operation costs of the district as prescribed in sections 7 and 18 and purposes authorized under section 1211 of the revised school code, MCL 380.1211.

(k) ~~(o)~~—"School operating taxes" means local ad valorem property taxes levied under section 1211 of the revised school



code, MCL 380.1211, and retained for school operating purposes.

(l) ~~(p)~~ "Tax increment financing acts" means parts 2, 3, 4, and 6 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

(m) ~~(q)~~ "Taxable value per membership pupil" means taxable value, as certified by the county treasurer and reported to the department, for the calendar year ending in the current state fiscal year divided by the district's membership excluding special education pupils for the school year ending in the current state fiscal year.

Sec. 20d. In making the final determination required under former section 20a of a district's combined state and local revenue per membership pupil in 1993-94 and in making calculations under section 20 for ~~2021-2022~~, **2022-2023**, the department and the department of treasury shall comply with all of the following:

(a) For a district that had combined state and local revenue per membership pupil in the 1994-95 fiscal year of \$6,500.00 or more and served as a fiscal agent for a state board designated area vocational education center in the 1993-94 school year, total state school aid received by or paid on behalf of the district under this act in 1993-94 excludes payments made under former section 146 and under section 147 on behalf of the district's employees who provided direct services to the area vocational education center. Not later than June 30, 1996, the department shall make an adjustment under this subdivision to the district's combined state and local revenue per membership pupil in the 1994-95 fiscal year and the department of treasury shall make a final certification of the number of mills that may be levied by the district under



1 section 1211 of the revised school code, MCL 380.1211, as a result
2 of the adjustment under this subdivision.

3 (b) If a district had an adjustment made to its 1993-94 total
4 state school aid that excluded payments made under former section
5 146 and under section 147 on behalf of the district's employees who
6 provided direct services for intermediate district center programs
7 operated by the district under former section 51 and sections 51a
8 to 56, if nonresident pupils attending the center programs were
9 included in the district's membership for purposes of calculating
10 the combined state and local revenue per membership pupil for 1993-
11 94, and if there is a signed agreement by all constituent districts
12 of the intermediate district agreeing to an adjustment under this
13 subdivision, the department shall calculate the foundation
14 allowances for 1995-96 and 1996-97 of all districts that had pupils
15 attending the intermediate district center program operated by the
16 district that had the adjustment as if their combined state and
17 local revenue per membership pupil for 1993-94 included resident
18 pupils attending the center program and excluded nonresident pupils
19 attending the center program.

20 Sec. 20f. (1) From the state school aid fund money
21 appropriated in section 11, there is allocated an amount not to
22 exceed \$18,000,000.00 for ~~2021-2022~~**2022-2023** for payments to
23 eligible districts under this section.

24 (2) The funding under this subsection is from the allocation
25 under subsection (1). A district is eligible for funding under this
26 subsection if the district received a payment under this section as
27 it was in effect for 2013-2014. A district was eligible for funding
28 in 2013-2014 if the sum of the following was less than \$5.00:

29 (a) The increase in the district's foundation allowance or



1 per-pupil payment as calculated under section 20 from 2012-2013 to
2 2013-2014.

3 (b) The district's equity payment per membership pupil under
4 former section 22c for 2013-2014.

5 (c) The quotient of the district's allocation under section
6 147a for 2012-2013 divided by the district's membership pupils for
7 2012-2013 minus the quotient of the district's allocation under
8 section 147a for 2013-2014 divided by the district's membership
9 pupils for 2013-2014.

10 (3) The amount allocated to each eligible district under
11 subsection (2) is an amount per membership pupil equal to the
12 amount per membership pupil the district received under this
13 section in 2013-2014.

14 (4) The funding under this subsection is from the allocation
15 under subsection (1). A district is eligible for funding under this
16 subsection if the sum of the following is less than \$25.00:

17 (a) The increase in the district's foundation allowance or
18 per-pupil payment as calculated under section 20 from 2014-2015 to
19 2015-2016.

20 (b) The decrease in the district's best practices per-pupil
21 funding under former section 22f from 2014-2015 to 2015-2016.

22 (c) The decrease in the district's pupil performance per-pupil
23 funding under former section 22j from 2014-2015 to 2015-2016.

24 (d) The quotient of the district's allocation under section
25 31a for 2015-2016 divided by the district's membership pupils for
26 2015-2016 minus the quotient of the district's allocation under
27 section 31a for 2014-2015 divided by the district's membership
28 pupils for 2014-2015.

29 (5) The amount allocated to each eligible district under



subsection (4) is an amount per membership pupil equal to \$25.00 minus the sum of the following:

(a) The increase in the district's foundation allowance or per-pupil payment as calculated under section 20 from 2014-2015 to 2015-2016.

(b) The decrease in the district's best practices per-pupil funding under former section 22f from 2014-2015 to 2015-2016.

(c) The decrease in the district's pupil performance per-pupil funding under former section 22j from 2014-2015 to 2015-2016.

(d) The quotient of the district's allocation under section 31a for 2015-2016 divided by the district's membership pupils for 2015-2016 minus the quotient of the district's allocation under section 31a for 2014-2015 divided by the district's membership pupils for 2014-2015.

(6) If the allocation under subsection (1) is insufficient to fully fund payments under subsections (3) and (5) as otherwise calculated under this section, the department shall prorate payments under this section on an equal per-pupil basis.

Sec. 20m. (1) Foundation allowance supplemental payments for the current fiscal year to **qualifying** districts ~~that in the immediately preceding fiscal year had a foundation allowance greater than the target foundation allowance~~ **with an adjustment to their foundation allowance from fiscal year 2020-2021 to the current fiscal year that is less than the adjustment in the target foundation allowance from fiscal year 2020-2021 to the current fiscal year** must be calculated under this section.

(2) The per-pupil allocation to each **qualifying** district under this section is the difference between the dollar amount of the adjustment from ~~the immediately preceding fiscal year~~ **2020-2021** to



1 the current fiscal year in the target foundation allowance minus
 2 the dollar amount of the adjustment from ~~the immediately preceding~~
 3 fiscal year **2020-2021** to the current fiscal year in a qualifying
 4 district's foundation allowance.

5 (3) If a district's local revenue per pupil does not exceed
 6 the sum of its foundation allowance under section 20 plus the per-
 7 pupil allocation under subsection (2), the total payment to the
 8 district calculated under this section is the product of the per-
 9 pupil allocation under subsection (2) multiplied by the district's
 10 membership, excluding special education pupils. If a district's
 11 local revenue per pupil exceeds ~~the-its~~ foundation allowance under
 12 section 20 but does not exceed the sum of ~~the-its~~ foundation
 13 allowance under section 20 plus the per-pupil allocation under
 14 subsection (2), the total payment to the district calculated under
 15 this section is the product of the difference between the sum of
 16 ~~the-its~~ foundation allowance under section 20 plus the per-pupil
 17 allocation under subsection (2) minus the local revenue per pupil
 18 multiplied by the district's membership, excluding special
 19 education pupils. If a district's local revenue per pupil exceeds
 20 the sum of ~~the-its~~ foundation allowance under section 20 plus the
 21 per-pupil allocation under subsection (2), there is no payment
 22 calculated under this section for the district.

23 (4) Payments to districts must not be made under this section.
 24 Rather, the calculations under this section are used to determine
 25 the amount of state payments that are made under section 22b.

26 (5) As used in this section, "qualifying district" means a
 27 district where the millage limitation in section 1211(3) of the
 28 revised school code, MCL 380.1211, is applied due to the increase
 29 in the target foundation allowance from the immediately preceding



1 fiscal year to the current fiscal year exceeding the percentage
2 increase in the general price level in the immediately preceding
3 calendar year applied to the district's immediately preceding
4 fiscal year foundation allowance.

5 Sec. 21b. (1) Subject to subsections (2) and (3), a district
6 shall use funds received under section 22a or 22b to support the
7 attendance of a district pupil who is an eligible student at an
8 eligible postsecondary institution under the postsecondary
9 enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or
10 under the career and technical preparation act, 2000 PA 258, MCL
11 388.1901 to 388.1913, by paying eligible charges on behalf of the
12 district pupil as required under those acts.

13 (2) A district is not required to pay transportation costs,
14 parking costs, or activity fees on behalf of an eligible student
15 for attendance at an eligible postsecondary institution as
16 described in subsection (1).

17 (3) A district may pay more money to an eligible postsecondary
18 institution on behalf of an eligible student than required under
19 the postsecondary enrollment options act, 1996 PA 160, MCL 388.511
20 to 388.524, or the career and technical preparation act, 2000 PA
21 258, MCL 388.1901 to 388.1913, and may use local school operating
22 revenue for that purpose. An eligible student is responsible for
23 payment of the remainder of the costs associated with his or her
24 postsecondary enrollment that exceed the amount the district is
25 required to pay under the postsecondary enrollment options act,
26 1996 PA 160, MCL 388.511 to 388.524, or the career and technical
27 preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, and that
28 are not paid by the district. As used in this subsection, "local
29 school operating revenue" means that term as defined in section



1 ~~20-22b.~~

2 (4) As used in this section, "eligible student" and "eligible
3 postsecondary institution" mean those terms as defined in section 3
4 of the postsecondary enrollment options act, 1996 PA 160, MCL
5 388.511 to 388.524, or in section 3 of the career and technical
6 preparation act, 2000 PA 258, MCL 388.1903, as applicable.

7 Sec. 21f. (1) A primary district shall enroll an eligible
8 pupil in virtual courses in accordance with the provisions of this
9 section. A primary district shall not offer a virtual course to an
10 eligible pupil unless the virtual course is published in the
11 primary district's catalog of board-approved courses or in the
12 statewide catalog of virtual courses maintained by the Michigan
13 Virtual University pursuant to section 98. The primary district
14 shall also provide on its publicly accessible website a link to the
15 statewide catalog of virtual courses maintained by the Michigan
16 Virtual University. Unless the pupil is at least age 18 or is an
17 emancipated minor, a pupil must not be enrolled in a virtual course
18 **that meets virtually for more than 15 days each school year** without
19 the consent of the pupil's parent or legal guardian.

20 (2) Subject to subsection (3), a primary district shall enroll
21 an eligible pupil in up to 2 virtual courses as requested by the
22 pupil during an academic term, semester, or trimester.

23 (3) A pupil may be enrolled in more than 2 virtual courses in
24 a specific academic term, semester, or trimester if all of the
25 following conditions are met:

26 (a) The primary district has determined that it is in the best
27 interest of the pupil.

28 (b) The pupil agrees with the recommendation of the primary
29 district.



~~(c) The primary district, in collaboration with the pupil, has developed an education development plan, in a form and manner specified by the department, that is kept on file by the district. This subdivision does not apply to a pupil enrolled as a part-time pupil under section 166b.~~

(4) If the number of applicants eligible for acceptance in a virtual course does not exceed the capacity of the provider to provide the virtual course, the provider shall accept for enrollment all of the applicants eligible for acceptance. If the number of applicants exceeds the provider's capacity to provide the virtual course, the provider shall use a random draw system, subject to the need to abide by state and federal antidiscrimination laws and court orders. A primary district that is also a provider shall determine whether or not it has the capacity to accept applications for enrollment from nonresident applicants in virtual courses and may use that limit as the reason for refusal to enroll a nonresident applicant.

(5) A primary district may not establish additional requirements beyond those specified in this subsection that would prohibit a pupil from taking a virtual course. A pupil's primary district may deny the pupil enrollment in a virtual course if any of the following apply, as determined by the district:

(a) The pupil is enrolled in any of grades K to 5.

(b) The pupil has previously gained the credits that would be provided from the completion of the virtual course.

(c) The virtual course is not capable of generating academic credit.

(d) The virtual course is inconsistent with the remaining graduation requirements or career interests of the pupil.



1 (e) The pupil has not completed the prerequisite coursework
2 for the requested virtual course or has not demonstrated
3 proficiency in the prerequisite course content.

4 (f) The pupil has failed a previous virtual course in the same
5 subject during the 2 most recent academic years.

6 (g) The virtual course is of insufficient quality or rigor. A
7 primary district that denies a pupil enrollment request for this
8 reason shall enroll the pupil in a virtual course in the same or a
9 similar subject that the primary district determines is of
10 acceptable rigor and quality.

11 (h) The cost of the virtual course exceeds the amount
12 identified in subsection (10), unless the pupil or the pupil's
13 parent or legal guardian agrees to pay the cost that exceeds this
14 amount.

15 (i) The request for a virtual course enrollment did not occur
16 within the same timelines established by the primary district for
17 enrollment and schedule changes for regular courses.

18 (j) The request for a virtual course enrollment was not made
19 in the academic term, semester, trimester, or summer preceding the
20 enrollment. This subdivision does not apply to a request made by a
21 pupil who is newly enrolled in the primary district.

22 (6) If a pupil is denied enrollment in a virtual course by the
23 pupil's primary district, the primary district shall provide
24 written notification to the pupil of the denial, the reason or
25 reasons for the denial under subsection (5), and a description of
26 the appeal process. The pupil may appeal the denial by submitting a
27 letter to the superintendent of the intermediate district in which
28 the pupil's primary district is located. The letter of appeal must
29 include the reason provided by the primary district for not



1 enrolling the pupil and the reason why the pupil is claiming that
2 the enrollment should be approved. The intermediate district
3 superintendent or designee shall respond to the appeal within 5
4 days after it is received. If the intermediate district
5 superintendent or designee determines that the denial of enrollment
6 does not meet 1 or more of the reasons specified in subsection (5),
7 the primary district shall enroll the pupil in the virtual course.

8 (7) To provide a virtual course to an eligible pupil under
9 this section, a provider must do all of the following:

10 (a) Ensure that the virtual course has been published in the
11 pupil's primary district's catalog of board-approved courses or
12 published in the statewide catalog of virtual courses maintained by
13 the Michigan Virtual University.

14 (b) Assign to each pupil a teacher of record and provide the
15 primary district with the personnel identification code assigned by
16 the center for the teacher of record. If the provider is a
17 community college, the virtual course must be taught by an
18 instructor employed by or contracted through the providing
19 community college.

20 (c) Offer the virtual course on an open entry and exit method,
21 or aligned to a semester, trimester, or accelerated academic term
22 format.

23 (d) If the virtual course is offered to eligible pupils in
24 more than 1 district, the following additional requirements must
25 also be met:

26 (i) Provide the Michigan Virtual University with a course
27 syllabus that meets the definition under subsection (14)(g) in a
28 form and manner prescribed by the Michigan Virtual University for
29 inclusion in a statewide catalog of virtual courses.



1 (ii) Not later than October 1 of each fiscal year, provide the
2 Michigan Virtual University with an aggregated count of enrollments
3 for each virtual course the provider delivered to pupils under this
4 section during the immediately preceding school year, and the
5 number of enrollments in which the pupil earned 60% or more of the
6 total course points for each virtual course.

7 (8) To provide a virtual course under this section, a
8 community college shall ensure that each virtual course it provides
9 under this section generates postsecondary credit.

10 (9) For any virtual course a pupil enrolls in under this
11 section, the pupil's primary district must assign to the pupil a
12 mentor and shall supply the provider with the mentor's contact
13 information.

14 (10) For a pupil enrolled in 1 or more virtual courses, the
15 primary district shall use foundation allowance or per-pupil funds
16 calculated under section 20 to pay for the expenses associated with
17 the virtual course or courses. A primary district is not required
18 to pay toward the cost of a virtual course an amount that exceeds
19 6.67% of the ~~minimum~~-**target** foundation allowance for the current
20 fiscal year as calculated under section 20.

21 (11) A virtual learning pupil has the same rights and access
22 to technology in his or her primary district's school facilities as
23 all other pupils enrolled in the pupil's primary district. The
24 department shall establish standards for hardware, software, and
25 internet access for pupils who are enrolled in more than 2 virtual
26 courses under this section in an academic term, semester, or
27 trimester taken at a location other than a school facility.

28 (12) If a pupil successfully completes a virtual course, as
29 determined by the pupil's primary district, the pupil's primary



1 district shall grant appropriate academic credit for completion of
 2 the course and shall count that credit toward completion of
 3 graduation and subject area requirements. A pupil's school record
 4 and transcript must identify the virtual course title as it appears
 5 in the virtual course syllabus.

6 (13) The enrollment of a pupil in 1 or more virtual courses
 7 must not result in a pupil being counted as more than 1.0 full-time
 8 equivalent pupils under this article. The minimum requirements to
 9 count the pupil in membership are those established by the pupil
 10 accounting manual as it was in effect for the 2015-2016 school year
 11 or as subsequently amended by the department if the department
 12 notifies the legislature about the proposed amendment at least 60
 13 days before the amendment becomes effective.

14 (14) As used in this section:

15 (a) "Instructor" means an individual who is employed by or
 16 contracted through a community college.

17 (b) "Mentor" means a professional employee of the primary
 18 district who monitors the pupil's progress, ensures the pupil has
 19 access to needed technology, is available for assistance, and
 20 ensures access to the teacher of record. A mentor may also serve as
 21 the teacher of record if the primary district is the provider for
 22 the virtual course and the mentor meets the requirements under
 23 subdivision (e).

24 (c) "Primary district" means the district that enrolls the
 25 pupil and reports the pupil for pupil membership purposes.

26 (d) "Provider" means the district, intermediate district, ~~or~~
 27 community college, **or any other institution or individual** that the
 28 primary district pays to provide the virtual course or the Michigan
 29 Virtual University if it is providing the virtual course. ~~Beginning~~



~~on the first day of the 2020-2021 school year through August 31, 2021, "provider" also includes any other institution or individual that the primary district pays to provide the virtual course.~~

(e) "Teacher of record" means a teacher who meets all of the following:

(i) Holds a valid Michigan teaching certificate or a teaching permit recognized by the department.

(ii) If applicable, is endorsed in the subject area and grade of the virtual course.

(iii) Is responsible for providing instruction, determining instructional methods for each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention strategies and modifying lessons, reporting outcomes, and evaluating the effects of instruction and support strategies.

(iv) Has a personnel identification code provided by the center.

(v) If the provider is a community college, is an instructor employed by or contracted through the providing community college.

(f) "Virtual course" means a course of study that is capable of generating a credit or a grade and that is provided in an interactive learning environment where the majority of the curriculum is delivered using the internet and in which pupils may be separated from their instructor or teacher of record by time or location, or both.

(g) "Virtual course syllabus" means a document that includes all of the following:

(i) An alignment document detailing how the course meets applicable state standards or, if the state does not have state standards, nationally recognized standards.



(ii) The virtual course content outline.

(iii) The virtual course required assessments.

(iv) The virtual course prerequisites.

(v) Expectations for actual instructor or teacher of record contact time with the virtual learning pupil and other communications between a pupil and the instructor or teacher of record.

(vi) Academic support available to the virtual learning pupil.

(vii) The virtual course learning outcomes and objectives.

(viii) The name of the institution or organization providing the virtual content.

(ix) The name of the institution or organization providing the instructor or teacher of record.

(x) The course titles assigned by the provider and the course titles and course codes from the National Center for Education Statistics (NCES) school codes for the exchange of data (SCED).

(xi) The number of eligible pupils that will be accepted by the provider in the virtual course. A primary district that is also the provider may limit the enrollment to those pupils enrolled in the primary district.

(xii) The results of the virtual course quality review using the guidelines and model review process published by the Michigan Virtual University.

(h) "Virtual learning pupil" means a pupil enrolled in 1 or more virtual courses.

Sec. 21h. (1) From the state school aid fund money appropriated in section 11, there is allocated \$6,137,400.00 for ~~2021-2022-2022-2023~~ for assisting districts assigned by the superintendent to participate in a partnership and districts that



1 have established a community engagement advisory committee in
2 partnership with the department of treasury, are required to submit
3 a deficit elimination plan or an enhanced deficit elimination plan
4 under section 1220 of the revised school code, MCL 380.1220, and
5 are located in a city with a population between 9,000 and 11,000,
6 as determined by the department, that is in a county with a
7 population between 150,000 and 160,000, as determined by the
8 department, to improve student achievement and district financial
9 stability. The superintendent shall collaborate with the state
10 treasurer to identify any conditions that may be contributing to
11 low academic performance within a district being considered for
12 assignment to a partnership. The purpose of the partnership is to
13 identify district needs, develop intervention plans, and partner
14 with public, private, and nonprofit organizations to coordinate
15 resources and improve student achievement. Assignment of a district
16 to a partnership is made by the superintendent in consultation with
17 the state treasurer.

18 (2) A district described in subsection (1) is eligible for
19 funding under this section if the district includes at least 1
20 school that has been identified as low performing under the
21 approved federal accountability system or the state accountability
22 system. A district described in this subsection must do all of the
23 following to be eligible for funding under this section:

24 (a) For a partnership district under this section, within 90
25 days of assignment to the partnership described in this section,
26 and for a district described in subsection (1) that is not a
27 partnership district under this section, by October 15 of each
28 year, complete a comprehensive needs assessment or evaluation in
29 collaboration with an intermediate district, community members,



1 education organizations, and postsecondary institutions, as
2 applicable, that is approved by the superintendent. The
3 comprehensive needs assessment or evaluation must include at least
4 all of the following:

5 (i) A review of the district's implementation and utilization
6 of a multi-tiered system of supports to ensure that it is used to
7 appropriately inform instruction.

8 (ii) A review of the district and school building leadership
9 and educator capacity to substantially improve student outcomes.

10 (iii) A review of classroom, instructional, and operational
11 practices and curriculum to ensure alignment with research-based
12 instructional practices and state curriculum standards.

13 (b) Develop an academic and financial operating or
14 intervention plan that has been approved by the superintendent and
15 that addresses the needs identified in the comprehensive needs
16 assessment or evaluation completed under subdivision (a). The
17 intervention plan must include at least all of the following:

18 (i) Specific actions that will be taken by the district and
19 each of its partners to improve student achievement.

20 (ii) Specific measurable benchmarks that will be met within 18
21 months to improve student achievement and identification of
22 expected student achievement outcomes to be attained within 3 years
23 after assignment to the partnership.

24 (c) Craft academic goals that put pupils on track to meet or
25 exceed grade level proficiency.

26 (3) Upon approval of the academic and financial operating or
27 intervention plan developed under subsection (2), the department,
28 in collaboration with the department of treasury, shall assign a
29 team of individuals with expertise in comprehensive school and



1 district reform to partner with the district, the intermediate
2 district, community organizations, education organizations, and
3 postsecondary institutions identified in the academic and financial
4 operating or intervention plan to review the district's use of
5 existing financial resources to ensure that those resources are
6 being used as efficiently and effectively as possible to improve
7 student academic achievement and to ensure district financial
8 stability. The superintendent of public instruction may waive
9 burdensome administrative rules for a partnership district for the
10 duration of the partnership agreement and for a district described
11 in subsection (1) that is not a partnership district under this
12 section and that receives funding under this section in the current
13 fiscal year.

14 (4) Funds allocated under this section, excluding funds
15 allocated under subsection (5), may be used to pay for district
16 expenditures approved by the superintendent to improve student
17 achievement. Funds may be used for professional development for
18 teachers or district or school leadership, increased instructional
19 time, teacher mentors, or other expenditures that directly impact
20 student achievement and cannot be paid from existing district
21 financial resources. An eligible district must not receive funds
22 under this section for more than 3 years. Notwithstanding section
23 17b, the department shall make payments to districts under this
24 section on a schedule determined by the department.

25 (5) From the funds allocated under subsection (1), there is
26 allocated for ~~2021-2022~~**2022-2023** an amount not to exceed
27 \$137,400.00 for the purchase of a data analytics tool to be used by
28 districts described in subsection (1). The superintendent of public
29 instruction shall require districts described in subsection (1) to



1 purchase a data analytics tool funded under this subsection as part
 2 of the agreements described in this section.

3 (6) The department, in consultation with the department of
 4 treasury, shall annually report to the legislature on the
 5 activities funded under this section and how those activities
 6 impacted student achievement in districts that received funds under
 7 this section. To the extent possible, participating districts
 8 receiving funding under this section shall participate in the
 9 report.

10 Sec. 22a. (1) From the state school aid fund money
 11 appropriated in section 11, there is allocated an amount not to
 12 exceed ~~\$4,836,000,000.00~~ **\$4,742,000,000.00** for ~~2020-2021~~ **2021-2022**
 13 and there is allocated an amount not to exceed ~~\$4,742,000,000.00~~
 14 **\$4,421,000,000.00** for ~~2021-2022~~ **2022-2023** for payments to districts
 15 and qualifying public school academies to guarantee each district
 16 and qualifying public school academy an amount equal to its 1994-95
 17 total state and local per-pupil revenue for school operating
 18 purposes under section 11 of article IX of the state constitution
 19 of 1963. Pursuant to section 11 of article IX of the state
 20 constitution of 1963, this guarantee does not apply to a district
 21 in a year in which the district levies a millage rate for school
 22 district operating purposes less than it levied in 1994. However,
 23 subsection (2) applies to calculating the payments under this
 24 section. Funds allocated under this section that are not expended
 25 in the fiscal year for which they were allocated, as determined by
 26 the department, may be used to supplement the allocations under
 27 sections 22b and 51c to fully fund those allocations for the same
 28 fiscal year. For each fund transfer as described in the immediately
 29 preceding sentence that occurs, the state budget director shall



1 send notification of the transfer to the house and senate
2 appropriations subcommittees on state school aid and the house and
3 senate fiscal agencies by not later than 14 calendar days after the
4 transfer occurs.

5 (2) To ensure that a district receives an amount equal to the
6 district's 1994-95 total state and local per-pupil revenue for
7 school operating purposes, there is allocated to each district a
8 state portion of the district's 1994-95 foundation allowance in an
9 amount calculated as follows:

10 (a) Except as otherwise provided in this subsection, the state
11 portion of a district's 1994-95 foundation allowance is an amount
12 equal to the district's 1994-95 foundation allowance or \$6,500.00,
13 whichever is less, minus the difference between the sum of the
14 product of the taxable value per membership pupil of all property
15 in the district that is nonexempt property times the district's
16 certified mills and, for a district with certified mills exceeding
17 12, the product of the taxable value per membership pupil of
18 property in the district that is commercial personal property times
19 the certified mills minus 12 mills and the quotient of the ad
20 valorem property tax revenue of the district captured under tax
21 increment financing acts divided by the district's membership. For
22 a district that has a millage reduction required under section 31
23 of article IX of the state constitution of 1963, the department
24 shall calculate the state portion of the district's foundation
25 allowance as if that reduction did not occur. For a receiving
26 district, if school operating taxes are to be levied on behalf of a
27 dissolved district that has been attached in whole or in part to
28 the receiving district to satisfy debt obligations of the dissolved
29 district under section 12 of the revised school code, MCL 380.12,



1 taxable value per membership pupil of all property in the receiving
2 district that is nonexempt property and taxable value per
3 membership pupil of property in the receiving district that is
4 commercial personal property do not include property within the
5 geographic area of the dissolved district; ad valorem property tax
6 revenue of the receiving district captured under tax increment
7 financing acts does not include ad valorem property tax revenue
8 captured within the geographic boundaries of the dissolved district
9 under tax increment financing acts; and certified mills do not
10 include the certified mills of the dissolved district. For a
11 community district, the department shall reduce the allocation as
12 otherwise calculated under this section by an amount equal to the
13 amount of local school operating tax revenue that would otherwise
14 be due to the community district if not for the operation of
15 section 386 of the revised school code, MCL 380.386, and the amount
16 of this reduction is offset by the increase in funding under
17 section 22b(2).

18 (b) For a district that had a 1994-95 foundation allowance
19 greater than \$6,500.00, the state payment under this subsection is
20 the sum of the amount calculated under subdivision (a) plus the
21 amount calculated under this subdivision. The amount calculated
22 under this subdivision must be equal to the difference between the
23 district's 1994-95 foundation allowance minus \$6,500.00 and the
24 current year hold harmless school operating taxes per pupil. If the
25 result of the calculation under subdivision (a) is negative, the
26 negative amount is an offset against any state payment calculated
27 under this subdivision. If the result of a calculation under this
28 subdivision is negative, there is not a state payment or a
29 deduction under this subdivision. The taxable values per membership



pupil used in the calculations under this subdivision are as adjusted by ad valorem property tax revenue captured under tax increment financing acts divided by the district's membership. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, ad valorem property tax revenue captured under tax increment financing acts do not include ad valorem property tax revenue captured within the geographic boundaries of the dissolved district under tax increment financing acts.

(3) For pupils in membership in a qualifying public school academy, there is allocated under this section to the authorizing body that is the fiscal agent for the qualifying public school academy for forwarding to the qualifying public school academy an amount equal to the 1994-95 per-pupil payment to the qualifying public school academy under section 20.

(4) A district or qualifying public school academy may use funds allocated under this section in conjunction with any federal funds for which the district or qualifying public school academy otherwise would be eligible.

(5) Except as otherwise provided in this subsection, for a district that is formed or reconfigured after June 1, 2000 by consolidation of 2 or more districts or by annexation, the resulting district's 1994-95 foundation allowance under this section beginning after the effective date of the consolidation or annexation is the average of the 1994-95 foundation allowances of each of the original or affected districts, calculated as provided in this section, weighted as to the percentage of pupils in total



1 membership in the resulting district in the fiscal year in which
2 the consolidation takes place who reside in the geographic area of
3 each of the original districts. If an affected district's 1994-95
4 foundation allowance is less than the 1994-95 basic foundation
5 allowance, the amount of that district's 1994-95 foundation
6 allowance is considered for the purpose of calculations under this
7 subsection to be equal to the amount of the 1994-95 basic
8 foundation allowance. This subsection does not apply to a receiving
9 district unless there is a subsequent consolidation or annexation
10 that affects the district.

11 (6) Payments under this section are subject to section 25g.

12 (7) As used in this section:

13 (a) "1994-95 foundation allowance" means a district's 1994-95
14 foundation allowance calculated and certified by the department of
15 treasury or the superintendent under former section 20a as enacted
16 in 1993 PA 336 and as amended by 1994 PA 283.

17 (b) "Certified mills" means the lesser of 18 mills or the
18 number of mills of school operating taxes levied by the district in
19 1993-94.

20 (c) "Current fiscal year" means the fiscal year for which a
21 particular calculation is made.

22 (d) "Current year hold harmless school operating taxes per
23 pupil" means the per-pupil revenue generated by multiplying a
24 district's 1994-95 hold harmless millage by the district's current
25 year taxable value per membership pupil. For a receiving district,
26 if school operating taxes are to be levied on behalf of a dissolved
27 district that has been attached in whole or in part to the
28 receiving district to satisfy debt obligations of the dissolved
29 district under section 12 of the revised school code, MCL 380.12,



1 taxable value per membership pupil does not include the taxable
2 value of property within the geographic area of the dissolved
3 district.

4 (e) "Dissolved district" means a district that loses its
5 organization, has its territory attached to 1 or more other
6 districts, and is dissolved as provided under section 12 of the
7 revised school code, MCL 380.12.

8 (f) "Hold harmless millage" means, for a district with a 1994-
9 95 foundation allowance greater than \$6,500.00, the number of mills
10 by which the exemption from the levy of school operating taxes on a
11 principal residence, qualified agricultural property, qualified
12 forest property, supportive housing property, industrial personal
13 property, commercial personal property, and property occupied by a
14 public school academy could be reduced as provided in section 1211
15 of the revised school code, MCL 380.1211, and the number of mills
16 of school operating taxes that could be levied on all property as
17 provided in section 1211(2) of the revised school code, MCL
18 380.1211, as certified by the department of treasury for the 1994
19 tax year. For a receiving district, if school operating taxes are
20 to be levied on behalf of a dissolved district that has been
21 attached in whole or in part to the receiving district to satisfy
22 debt obligations of the dissolved district under section 12 of the
23 revised school code, MCL 380.12, school operating taxes do not
24 include school operating taxes levied within the geographic area of
25 the dissolved district.

26 (g) "Membership" means the definition of that term under
27 section 6 as in effect for the particular fiscal year for which a
28 particular calculation is made.

29 (h) "Nonexempt property" means property that is not a



principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, or property occupied by a public school academy.

(i) "Principal residence", "qualified agricultural property", "qualified forest property", "supportive housing property", "industrial personal property", and "commercial personal property" mean those terms as defined in section 1211 of the revised school code, MCL 380.1211.

(j) "Qualifying public school academy" means a public school academy that was in operation in the 1994-95 school year and is in operation in the current fiscal year.

(k) "Receiving district" means a district to which all or part of the territory of a dissolved district is attached under section 12 of the revised school code, MCL 380.12.

(l) "School operating taxes" means local ad valorem property taxes levied under section 1211 of the revised school code, MCL 380.1211, and retained for school operating purposes as defined in section 20.

(m) "Tax increment financing acts" means parts 2, 3, 4, and 6 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

(n) "Taxable value per membership pupil" means each of the following divided by the district's membership:

(i) For the number of mills by which the exemption from the levy of school operating taxes on a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal



property, and property occupied by a public school academy may be reduced as provided in section 1211 of the revised school code, MCL 380.1211, the taxable value of principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, and property occupied by a public school academy for the calendar year ending in the current fiscal year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, mills do not include mills within the geographic area of the dissolved district.

(ii) For the number of mills of school operating taxes that may be levied on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, the taxable value of all property for the calendar year ending in the current fiscal year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, school operating taxes do not include school operating taxes levied within the geographic area of the dissolved district.

Sec. 22b. (1) For discretionary nonmandated payments to districts under this section, there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed ~~\$4,478,200,000.00~~ **\$5,132,000,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed



1 ~~\$79,800,000.00~~ **\$72,000,000.00** from the community district education
 2 trust fund appropriation in section 11, and there is allocated for
 3 ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$5,132,000,000.00~~
 4 **\$5,722,268,100.00** from the state school aid fund and general fund
 5 appropriations in section 11 and an amount not to exceed
 6 \$72,000,000.00 from the community district education trust fund
 7 appropriation in section 11. Of the funds allocated under this
 8 section for 2021-2022, ~~\$13,600,000.00~~ **\$14,000,000.00** represents the
 9 amount of the general fund revenue deposited into the state school
 10 aid fund to reimburse the state school aid fund for community
 11 district education trust fund costs in excess of \$72,000,000.00. **Of**
 12 **the funds allocated under this section for 2022-2023,**
 13 **\$16,700,000.00 represents the amount of the general fund revenue**
 14 **deposited into the state school aid fund to reimburse the state**
 15 **school aid fund for community district education trust fund costs**
 16 **in excess of \$72,000,000.00. If the amount allocated under this**
 17 **subsection from the community district education trust fund**
 18 **appropriation under section 11 is insufficient to pay for an**
 19 **increase under this section, any amount exceeding that allocation**
 20 **may be paid from other allocations under this subsection.** Except
 21 for money allocated under this section from the community district
 22 education trust fund appropriation in section 11, funds allocated
 23 under this section that are not expended in the fiscal year for
 24 which they were allocated, as determined by the department, may be
 25 used to supplement the allocations under sections 22a and 51c to
 26 fully fund those allocations for the same fiscal year. For each
 27 fund transfer as described in the immediately preceding sentence
 28 that occurs, the state budget director shall send notification of
 29 the transfer to the house and senate appropriations subcommittees



1 on state school aid and the house and senate fiscal agencies by not
2 later than 14 calendar days after the transfer occurs.

3 (2) Subject to subsection (3) and section 296, the allocation
4 to a district under this section is an amount equal to the sum of
5 the amounts calculated under sections 20, 20m, 51a(2), 51a(3), and
6 51a(11), minus the sum of the allocations to the district under
7 sections 22a and 51c. For a community district, the allocation as
8 otherwise calculated under this section is increased by an amount
9 equal to the amount of local school operating tax revenue that
10 would otherwise be due to the community district if not for the
11 operation of section 386 of the revised school code, MCL 380.386,
12 and this increase must be paid from the community district
13 education trust fund allocation in subsection (1) in order to
14 offset the absence of local school operating revenue in a community
15 district in the funding of the state portion of the foundation
16 allowance under section 20(4).

17 (3) In order to receive an allocation under subsection (1),
18 each district must do all of the following:

19 (a) Comply with section 1280b of the revised school code, MCL
20 380.1280b.

21 (b) Comply with sections 1278a and 1278b of the revised school
22 code, MCL 380.1278a and 380.1278b.

23 (c) Furnish data and other information required by state and
24 federal law to the center and the department in the form and manner
25 specified by the center or the department, as applicable.

26 (d) Comply with section 1230g of the revised school code, MCL
27 380.1230g.

28 (e) Comply with section 21f.

29 (f) For a district that has entered into a partnership



1 agreement with the department, comply with section 22p.

2 (4) Districts are encouraged to use funds allocated under this
3 section for the purchase and support of payroll, human resources,
4 and other business function software that is compatible with that
5 of the intermediate district in which the district is located and
6 with other districts located within that intermediate district.

7 (5) From the allocation in subsection (1), the department
8 shall pay up to \$1,000,000.00 in litigation costs incurred by this
9 state related to commercial or industrial property tax appeals,
10 including, but not limited to, appeals of classification, that
11 impact revenues dedicated to the state school aid fund.

12 (6) From the allocation in subsection (1), the department
13 shall pay up to \$1,000,000.00 in litigation costs incurred by this
14 state associated with lawsuits filed by 1 or more districts or
15 intermediate districts against this state. If the allocation under
16 this section is insufficient to fully fund all payments required
17 under this section, the payments under this subsection must be made
18 in full before any proration of remaining payments under this
19 section.

20 (7) It is the intent of the legislature that all
21 constitutional obligations of this state have been fully funded
22 under sections 22a, 31d, 51a, 51c, and 152a. If a claim is made by
23 an entity receiving funds under this article that challenges the
24 legislative determination of the adequacy of this funding or
25 alleges that there exists an unfunded constitutional requirement,
26 the state budget director may escrow or allocate from the
27 discretionary funds for nonmandated payments under this section the
28 amount as may be necessary to satisfy the claim before making any
29 payments to districts under subsection (2). If funds are escrowed,



1 the escrowed funds are a work project appropriation and the funds
2 are carried forward into the following fiscal year. The purpose of
3 the work project is to provide for any payments that may be awarded
4 to districts as a result of litigation. The work project is
5 completed upon resolution of the litigation.

6 (8) If the local claims review board or a court of competent
7 jurisdiction makes a final determination that this state is in
8 violation of section 29 of article IX of the state constitution of
9 1963 regarding state payments to districts, the state budget
10 director shall use work project funds under subsection (7) or
11 allocate from the discretionary funds for nonmandated payments
12 under this section the amount as may be necessary to satisfy the
13 amount owed to districts before making any payments to districts
14 under subsection (2).

15 (9) If a claim is made in court that challenges the
16 legislative determination of the adequacy of funding for this
17 state's constitutional obligations or alleges that there exists an
18 unfunded constitutional requirement, any interested party may seek
19 an expedited review of the claim by the local claims review board.
20 If the claim exceeds \$10,000,000.00, this state may remove the
21 action to the court of appeals, and the court of appeals has and
22 shall exercise jurisdiction over the claim.

23 (10) If payments resulting from a final determination by the
24 local claims review board or a court of competent jurisdiction that
25 there has been a violation of section 29 of article IX of the state
26 constitution of 1963 exceed the amount allocated for discretionary
27 nonmandated payments under this section, the legislature shall
28 provide for adequate funding for this state's constitutional
29 obligations at its next legislative session.



(11) If a lawsuit challenging payments made to districts related to costs reimbursed by federal title XIX Medicaid funds is filed against this state, then, for the purpose of addressing potential liability under such a lawsuit, the state budget director may place funds allocated under this section in escrow or allocate money from the funds otherwise allocated under this section, up to a maximum of 50% of the amount allocated in subsection (1). If funds are placed in escrow under this subsection, those funds are a work project appropriation and the funds are carried forward into the following fiscal year. The purpose of the work project is to provide for any payments that may be awarded to districts as a result of the litigation. The work project is completed upon resolution of the litigation. In addition, this state reserves the right to terminate future federal title XIX Medicaid reimbursement payments to districts if the amount or allocation of reimbursed funds is challenged in the lawsuit. As used in this subsection, "title XIX" means title XIX of the social security act, 42 USC 1396 to 1396w-5.

(12) As used in this section, "local school operating revenue" means school operating taxes levied under section 1211 of the revised school code, MCL 380.1211. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, local school operating revenue does not include school operating taxes levied within the geographic area of the dissolved district.

Sec. 22c. From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022~~**2022-2023** an amount



not to exceed \$3,000,000.00 for payments to eligible districts as provided under this section. The payment for an eligible district under this section must be in an amount per membership pupil equal to \$171.00. As used in this section:

(a) "Eligible district" means a district **that received payments under this section in the immediately preceding fiscal year and** for which the local school operating revenue per membership pupil **in the current fiscal year** exceeds the district's foundation allowance as calculated under section 20 **for the current fiscal year.**

(b) "Local school operating revenue" means that term as defined in section 22b.

(c) ~~(b)~~ "Local school operating revenue per membership pupil" means ~~that term as defined in section 20.~~ **a district's local school operating revenue divided by the district's membership excluding special education pupils.**

Sec. 22d. (1) From the state school aid fund money appropriated under section 11, an amount not to exceed ~~\$8,420,000.00~~ **\$8,841,000.00** is allocated for ~~2021-2022~~ **2022-2023** for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed ~~\$1,557,300.00~~ **\$1,635,200.00** for payments under this subsection to **eligible** districts. **A district** that ~~meet~~ **meets** all of the following **is an eligible district under this subsection:**

(a) Operates grades K to 12.

(b) Has fewer than 250 pupils in membership.

(c) Each school building operated by the district meets at least 1 of the following:



(i) Is located in the Upper Peninsula at least 30 miles from any other public school building.

(ii) Is located on an island that is not accessible by bridge.

(3) The amount of the additional funding to each eligible district under subsection (2) is determined under a spending plan developed as provided in this subsection and approved by the superintendent of public instruction. The spending plan must be developed cooperatively by the intermediate superintendents of each intermediate district in which an eligible district is located. The intermediate superintendents shall review the financial situation of each eligible district, determine the minimum essential financial needs of each eligible district, and develop and agree on a spending plan that distributes the available funding under subsection (2) to the eligible districts based on those financial needs. The intermediate superintendents shall submit the spending plan to the superintendent of public instruction for approval. Upon approval by the superintendent of public instruction, the amounts specified for each eligible district under the spending plan are allocated under subsection (2) and must be paid to the eligible districts in the same manner as payments under section 22b.

(4) Subject to subsection (7), from the allocation in subsection (1), there is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed ~~\$6,042,700.00~~**\$6,344,800.00** for payments under this subsection to districts that have fewer than 10.0 pupils per square mile as determined by the department.

(5) The funds allocated under subsection (4) are allocated as follows:

(a) An amount equal to ~~\$5,200,000.00~~**\$5,460,000.00** is allocated to districts with fewer than 8.0 pupils per square mile,



1 as determined by the department, on an equal per-pupil basis.

2 (b) The balance of the funding under subsection (4) is
3 allocated as follows:

4 (i) For districts with at least 8.0 but fewer than 9.0 pupils
5 per square mile, as determined by the department, the allocation is
6 an amount per pupil equal to 75% of the per-pupil amount allocated
7 to districts under subdivision (a).

8 (ii) For districts with at least 9.0 but fewer than 10.0 pupils
9 per square mile, as determined by the department, the allocation is
10 an amount per pupil equal to 50% of the per-pupil amount allocated
11 to districts under subdivision (a).

12 (c) If the total funding allocated under subdivision (b) is
13 not sufficient to fully fund payments as calculated under that
14 subdivision, the department shall prorate payments to districts
15 under subdivision (b) on an equal per-pupil basis.

16 (6) From the allocation in subsection (1), there is allocated
17 an amount not to exceed ~~\$820,000.00~~ **\$861,000.00** for payments under
18 this subsection to districts that have greater than 250 square
19 miles and that do not receive funding under subsection (2) or (4).
20 The funds allocated under this subsection must be allocated on an
21 equal per-pupil basis.

22 (7) A district receiving funds allocated under subsection (2)
23 is not eligible for funding allocated under subsection (4).

24 Sec. 22m. (1) From the state school aid fund money
25 appropriated in section 11, there is allocated for ~~2021-2022~~ **2022-**
26 **2023** an amount not to exceed \$2,200,000.00 for supporting the
27 integration of local data systems into the Michigan data hub
28 network based on common standards and applications that are in
29 compliance with section 19(6).



1 (2) An entity that is the fiscal agent for no more than 5
2 consortia of intermediate districts that previously received
3 funding from the technology readiness infrastructure grant under
4 former section 22i for the purpose of establishing regional data
5 hubs that are part of the Michigan data hub network is eligible for
6 funding under this section.

7 (3) The center shall work with an advisory committee composed
8 of representatives from intermediate districts within each of the
9 data hub regions to coordinate the activities of the Michigan data
10 hub network.

11 (4) The center, in collaboration with the Michigan data hub
12 network, shall determine the amount of funds distributed under this
13 section to each participating regional data hub within the network,
14 based upon a competitive grant process. The center shall ensure
15 that the entities receiving funding under this section represent
16 geographically diverse areas in this state.

17 (5) Notwithstanding section 17b, the department shall make
18 payments under this section on a schedule determined by the center.

19 (6) To receive funding under this section, a regional data hub
20 must have a governance model that ensures local control of data,
21 data security, and student privacy issues. The integration of data
22 within each of the regional data hubs must provide for the
23 actionable use of data by districts and intermediate districts
24 through common reports and dashboards and for efficiently providing
25 information to meet state and federal reporting purposes.

26 (7) Participation in a data hub region in the Michigan data
27 hub network under this section is voluntary and is not required.

28 (8) Entities receiving funding under this section shall use
29 the funds for all of the following:



1 (a) Creating an infrastructure that effectively manages the
2 movement of data between data systems used by intermediate
3 districts, districts, and other educational organizations in
4 Michigan based on common data standards to improve student
5 achievement.

6 (b) Utilizing the infrastructure to put in place commonly
7 needed integrations, reducing cost and effort to do that work while
8 increasing data accuracy and usability.

9 (c) Promoting the use of a more common set of applications by
10 promoting systems that integrate with the Michigan data hub
11 network.

12 (d) Promoting 100% district adoption of the Michigan data hub
13 network. ~~by September 30, 2022.~~

14 (e) Ensuring local control of data, data security, and student
15 data privacy.

16 (f) Utilizing the infrastructure to promote the actionable use
17 of data through common reports and dashboards that are consistent
18 statewide.

19 (g) Creating a governance model to facilitate sustainable
20 operations of the infrastructure in the future, including
21 administration, legal agreements, documentation, staffing, hosting,
22 and funding.

23 (h) Evaluating future data initiatives at all levels to
24 determine whether the initiatives can be enhanced by using the
25 standardized environment in the Michigan data hub network.

26 (9) Not later than January 1 of each fiscal year, the center
27 shall prepare a summary report of information provided by each
28 entity that received funds under this section that includes
29 measurable outcomes based on the objectives described under this



1 section and a summary of compiled data from each entity to provide
 2 a means to evaluate the effectiveness of the project. The center
 3 shall submit the report to the house and senate appropriations
 4 subcommittees on school aid and to the house and senate fiscal
 5 agencies.

6 Sec. 22p. (1) Subject to subsection (2), in order to receive
 7 funding under section 22b, a district or public school academy that
 8 is assigned by the superintendent of public instruction as a
 9 partnership district must have a signed 3-year partnership
 10 agreement with the department that includes all of the following:

11 (a) Measurable academic outcomes that the district or public
 12 school academy will achieve for each school operated by the
 13 district or public school academy that is subject to the
 14 partnership agreement after 18 months and after 36 months from the
 15 date the agreement was originally signed. Measurable academic
 16 outcomes under this subdivision must include all of the following:

17 (i) Outcomes that put pupils on track to meet or exceed grade
 18 level proficiency and that are based on district or public school
 19 academy needs identified as required under section 21h.

20 (ii) Either of the following, as applicable:

21 (A) At least 1 proficiency or growth outcome based on state
 22 assessments described in section 104b or 104c.

23 (B) At least 1 proficiency or growth outcome based on a
 24 benchmark assessment described in section ~~104a-104h~~ **or 104i, as**
 25 **applicable.**

26 (b) Accountability measures to be imposed if the district or
 27 public school academy does not achieve the measurable academic
 28 outcomes described in subdivision (a) for each school operated by
 29 the district or public school academy that is subject to the



1 partnership agreement. For a district assigned as a partnership
2 district as described in this subsection, accountability measures
3 under this subdivision must include the reconstitution of the
4 school. For a public school academy assigned as a partnership
5 district as described in this subsection, accountability measures
6 under this subdivision may include the reconstitution of the
7 school.

8 (c) For a public school academy assigned as a partnership
9 district as described in this subsection, a requirement that, if
10 reconstitution is imposed on a school that is operated by the
11 public school academy and that is subject to the partnership
12 agreement, the school must be reconstituted as described in section
13 507, 528, or 561, as applicable, of the revised school code, MCL
14 380.507, 380.528, and 380.561.

15 (d) For a district assigned as a partnership district as
16 described in this subsection, a provision that, if reconstitution
17 is imposed on a school that is operated by the district and that is
18 subject to the partnership agreement, reconstitution may require
19 closure of the school building, but, if the school building remains
20 open, reconstitution must include, but is not limited to, all of
21 the following:

22 (i) The district shall make significant changes to the
23 instructional and noninstructional programming of the school based
24 on the needs identified through a comprehensive review of data in
25 compliance with section 21h.

26 (ii) The district shall review whether the current principal of
27 the school should remain as principal or be replaced.

28 (iii) The reconstitution plan for the school must require the
29 adoption of goals similar to the goals included in the partnership



1 agreement, with a limit of 3 years to achieve the goals. If the
2 goals are not achieved within 3 years, the superintendent of public
3 instruction shall impose a second reconstitution plan.

4 (2) If a district or public school academy is assigned as a
5 partnership district as described in subsection (1) during the
6 current fiscal year, it shall ensure that it has a signed
7 partnership agreement as described in subsection (1) in place by
8 not later than 90 days after the date that it is assigned as a
9 partnership district. If a district or public school academy
10 described in this subsection does not comply with this subsection,
11 the department shall withhold funding under section 22b for that
12 district or public school academy until the district or public
13 school academy has a signed partnership agreement as described in
14 subsection (1) in place.

15 Sec. 24. (1) From the state school aid fund money appropriated
16 in section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
17 not to exceed \$7,650,000.00 and there is allocated for ~~2021-2022~~
18 **2022-2023** an amount not to exceed \$7,650,000.00 for payments to the
19 educating district or intermediate district for educating pupils
20 assigned by a court or the department of health and human services
21 to reside in or to attend a juvenile detention facility or child
22 caring institution licensed by the department of health and human
23 services and approved by the department to provide an on-grounds
24 education program. The amount of the payment under this section to
25 a district or intermediate district is calculated as prescribed
26 under subsection (2).

27 (2) The department shall allocate the total amount allocated
28 under this section by paying to the educating district or
29 intermediate district an amount equal to the lesser of the



1 district's or intermediate district's added cost or the
2 department's approved per-pupil allocation for the district or
3 intermediate district. For the purposes of this subsection:

4 (a) "Added cost" means 100% of the added cost each fiscal year
5 for educating all pupils assigned by a court or the department of
6 health and human services to reside in or to attend a juvenile
7 detention facility or child caring institution licensed by the
8 department of health and human services or the department of
9 licensing and regulatory affairs and approved by the department to
10 provide an on-grounds education program. Added cost is computed by
11 deducting all other revenue received under this article for pupils
12 described in this section from total costs, as approved by the
13 department, in whole or in part, for educating those pupils in the
14 on-grounds education program or in a program approved by the
15 department that is located on property adjacent to a juvenile
16 detention facility or child caring institution. Costs reimbursed by
17 federal funds are not included.

18 (b) "Department's approved per-pupil allocation" for a
19 district or intermediate district is determined by dividing the
20 total amount allocated under this section for a fiscal year by the
21 full-time equated membership total for all pupils approved by the
22 department to be funded under this section for that fiscal year for
23 the district or intermediate district.

24 (3) A district or intermediate district educating pupils
25 described in this section at a residential child caring institution
26 may operate, and receive funding under this section for, a
27 department-approved on-grounds educational program for those pupils
28 that is longer than 181 days, but not longer than 233 days, if the
29 child caring institution was licensed as a child caring institution



1 and offered in 1991-92 an on-grounds educational program that was
2 longer than 181 days but not longer than 233 days and that was
3 operated by a district or intermediate district.

4 (4) Special education pupils funded under section 53a are not
5 funded under this section.

6 Sec. 24a. From the state school aid fund money appropriated in
7 section 11, there is allocated an amount not to exceed
8 \$1,355,700.00 for ~~2021-2022~~**2022-2023** for payments to intermediate
9 districts for pupils who are placed in juvenile justice service
10 facilities operated by the department of health and human services.
11 The amount of the payment to each intermediate district is an
12 amount equal to the state share of those costs that are clearly and
13 directly attributable to the educational programs for pupils placed
14 in facilities described in this section that are located within the
15 intermediate district's boundaries. The intermediate districts
16 receiving payments under this section shall cooperate with the
17 department of health and human services to ensure that all funding
18 allocated under this section is utilized by the intermediate
19 district and department of health and human services for
20 educational programs for pupils described in this section. Pupils
21 described in this section are not eligible to be funded under
22 section 24. However, a program responsibility or other fiscal
23 responsibility associated with these pupils must not be transferred
24 from the department of health and human services to a district or
25 intermediate district unless the district or intermediate district
26 consents to the transfer.

27 Sec. 25f. (1) From the state school aid fund money
28 appropriated in section 11, there is allocated an amount not to
29 exceed \$1,600,000.00 for ~~2021-2022~~**2022-2023** for payments to strict



discipline academies ~~established under sections 1311b to 1311m of~~
~~the revised school code, MCL 380.1311b to 380.1311m,~~ **and qualified**
districts, as provided under this section.

(2) In order to receive funding under this section, a strict
 discipline academy **or qualified district** must first comply with
 section 25e and use the pupil transfer process under that section
 for changes in enrollment as prescribed under that section.

(3) The total amount allocated to a strict discipline academy
or qualified district under this section must first be distributed
 as the lesser of the strict discipline academy's **or qualified**
district's added cost or the department's approved per-pupil
 allocation for the strict discipline academy **or qualified district**.
~~Any~~ **Subject to subsection (7), any** funds remaining after the first
 distribution must be distributed by prorating on an equal per-pupil
 membership basis, not to exceed a strict discipline academy's **or**
qualified district's added cost. However, the sum of the amounts
 received by a strict discipline academy **or qualified district** under
 this section and under section 24 must not exceed the product of
 the strict discipline academy's **or qualified district's** per-pupil
 allocation calculated under section 20 multiplied by the strict
 discipline academy's **or qualified district's** full-time equated
 membership. The department shall allocate funds to strict
 discipline academies **and qualified districts** under this section on
 a monthly basis. ~~For the purposes of this subsection:~~

~~(a) "Added cost" means 100% of the added cost each fiscal year~~
~~for educating all pupils enrolled and in regular daily attendance~~
~~at a strict discipline academy. Added cost must be computed by~~
~~deducting all other revenue received under this article for pupils~~
~~described in this subsection from total costs, as approved by the~~



~~department, in whole or in part, for educating those pupils in a strict discipline academy. The department shall include all costs including, but not limited to, educational costs, insurance, management fees, technology costs, legal fees, auditing fees, interest, pupil accounting costs, and any other administrative costs necessary to operate the program or to comply with statutory requirements. Costs reimbursed by federal funds are not included.~~

~~(b) "Department's approved per pupil allocation" for a strict discipline academy is determined by dividing the total amount allocated under this subsection for a fiscal year by the full-time equated membership total for all pupils approved by the department to be funded under this subsection for that fiscal year for the strict discipline academy.~~

(4) Special education pupils funded under section 53a are not funded under this section.

(5) If the funds allocated under this section are insufficient to fully fund the adjustments under subsection (3), the department shall prorate payments under this section on an equal per-pupil basis.

(6) The department shall make payments to **strict discipline academies and qualified** districts under this section according to the payment schedule under section 17b.

(7) **For purposes of this section, the pupil membership for the current fiscal year for a qualified district is the actual number of pupils that are in the custody of a county juvenile agency as described in subsection (8) (d).**

(8) **As used in this section:**

(a) **"Added cost" means 100% of the added cost each fiscal year for educating all pupils enrolled and in regular daily attendance**



1 at a strict discipline academy or qualified district. Added cost
2 must be computed by deducting all other revenue received under this
3 article for pupils described in this subdivision from total costs,
4 as approved by the department, in whole or in part, for educating
5 those pupils in a strict discipline academy or qualified district.
6 The department shall include all costs including, but not limited
7 to, educational costs, insurance, management fees, technology
8 costs, legal fees, auditing fees, interest, pupil accounting costs,
9 and any other administrative costs necessary to operate the program
10 or to comply with statutory requirements. Costs reimbursed by
11 federal funds are not included.

12 (b) "Department's approved per-pupil allocation" means, for a
13 strict discipline academy or qualified district, an amount equal to
14 the quotient of the total amount allocated under this section for a
15 fiscal year and the full-time equated membership total for all
16 pupils approved by the department to be funded under this section
17 for that fiscal year for the strict discipline academy or qualified
18 district.

19 (c) "Strict discipline academy" means a public school academy
20 established under sections 1311b to 1311m of the revised school
21 code, MCL 380.1311b to 380.1311m.

22 (d) "Qualified district" means a public school academy that is
23 not a strict discipline academy that enrolls individuals who are in
24 the custody of a county juvenile agency.

25 Sec. 25g. (1) From the state school aid fund money
26 appropriated in section 11, there is allocated an amount not to
27 exceed \$750,000.00 for ~~2021-2022~~**2022-2023** for the purposes of this
28 section. Except as otherwise provided in this section, if the
29 operation of the special membership counting provisions under



1 section 6(4) (dd) and the other membership counting provisions under
2 section 6(4) result in a pupil being counted as more than 1.0 FTE
3 in a fiscal year, then the payment made for the pupil under
4 sections 22a and 22b must not be based on more than 1.0 FTE for
5 that pupil, and that portion of the FTE that exceeds 1.0 is paid
6 under this section in an amount equal to that portion multiplied by
7 the educating district's foundation allowance or per-pupil payment
8 calculated under section 20.

9 (2) Special education pupils funded under section 53a are not
10 funded under this section.

11 (3) If the funds allocated under this section are insufficient
12 to fully fund the adjustments under subsection (1), the department
13 shall prorate payments under this section on an equal per-pupil
14 basis.

15 (4) The department shall make payments to districts under this
16 section according to the payment schedule under section 17b.

17 Sec. 25i. (1) From the general fund money appropriated in
18 section 11, there is allocated for ~~2021-2022~~**2022-2023** an amount
19 not to exceed ~~\$6,000,000.00~~**\$5,000,000.00** for an eligible
20 attendance recovery program as described in subsection (3). The
21 funds allocated under this section must be used to administer an
22 eligible attendance recovery program for all districts that opt
23 into the program to serve eligible pupils described in subsection
24 (2).

25 (2) A pupil who meets any of the following and who is enrolled
26 in a district that opts into the attendance recovery program funded
27 under this section is an eligible pupil under this section:

28 (a) The pupil did not engage in the district's remote
29 continuous education offerings in spring 2021.



1 (b) The pupil needs intervention based on his or her absences
2 or chronic absenteeism or consistent disengagement in classes.

3 (c) The pupil is in danger of failing 1 or more classes.

4 (d) The pupil is eligible under the McKinney-Vento
5 homelessness assistance act, Public Law 100-77, or is in foster
6 care.

7 (e) The pupil's family requires financial or social support.

8 (f) The pupil has disengaged in his or her education, is
9 attending school irregularly, or is not progressing in his or her
10 coursework.

11 (g) The pupil participated in or was eligible to participate
12 in the district's summer ~~2021-2022~~ educational offerings.

13 (3) An attendance recovery program that received funding under
14 this section in ~~2020-2021-2021-2022~~ is the eligible attendance
15 recovery program under this section.

16 (4) The provider chosen and designated by the department under
17 this section in ~~2020-2021-2021-2022~~ must continue to do all of the
18 following:

19 (a) Work with the department to notify districts about the
20 program and provide technical assistance to districts interested in
21 opting in.

22 (b) Work with each district to obtain contact information for
23 each eligible pupil.

24 (c) Provide outreach using differentiated treatment strategies
25 to pupils and families using multiple modalities that may include
26 phone, text, social media, email, and traditional mail, to find and
27 engage eligible pupils.

28 (d) Implement a culturally and linguistically responsive
29 outreach and support plan. Elements of the plan must include



1 differentiated outreach and ongoing coaching strategies to families
2 to ensure cultural and linguistic relevance.

3 (e) Use information about barriers to engagement gathered from
4 pupils and families to assign eligible pupils to an ongoing support
5 level. Ongoing support levels described in this subdivision must
6 include a minimum of 3 support tiers following the general design
7 of response to intervention (RTI) models.

8 (f) For eligible pupils and their families, provide a coach to
9 deliver interventions in accordance with the pupil's needs and the
10 framework of his or her assigned ongoing support level.

11 (g) Report weekly to each district that has opted into the
12 program and to the department with metrics agreed upon by the
13 provider and the department.

14 (5) Notwithstanding section 17b, the department shall make
15 payments under this section by not later than December 1,
16 ~~2021-2022~~.

17 Sec. 26a. From the state school aid fund money appropriated in
18 section 11, there is allocated an amount not to exceed
19 ~~\$15,300,000.00~~ **\$14,000,000.00** for ~~2021-2022-2022-2023~~ to reimburse
20 districts and intermediate districts under section 12 of the
21 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes
22 levied in 2021. The department shall pay the allocations not later
23 than 60 days after the department of treasury certifies to the
24 department and to the state budget director that the department of
25 treasury has received all necessary information to properly
26 determine the amounts due to each eligible recipient.

27 Sec. 26b. (1) From the state school aid fund money
28 appropriated in section 11, there is allocated an amount not to
29 exceed \$4,710,000.00 for ~~2021-2022-2022-2023~~ for payments to



1 districts, intermediate districts, and community college districts
 2 for the portion of the payment in lieu of taxes obligation that is
 3 attributable to districts, intermediate districts, and community
 4 college districts under section 2154 of the natural resources and
 5 environmental protection act, 1994 PA 451, MCL 324.2154.

6 (2) If the amount appropriated under this section is not
 7 sufficient to fully pay obligations under this section, payments
 8 are prorated on an equal basis among all eligible districts,
 9 intermediate districts, and community college districts.

10 Sec. 26c. (1) From the state school aid fund money
 11 appropriated under section 11, there is allocated an amount not to
 12 exceed ~~\$11,300,000.00~~ **\$13,800,000.00** for ~~2020-2021~~ **2021-2022** and
 13 there is allocated an amount not to exceed ~~\$13,800,000.00~~
 14 **\$14,800,000.00** for ~~2021-2022~~ **2022-2023** to the promise zone fund
 15 created in subsection (3). The funds allocated under this section
 16 reflect the amount of revenue from the collection of the state
 17 education tax captured under section 17 of the Michigan promise
 18 zone authority act, 2008 PA 549, MCL 390.1677.

19 (2) Funds allocated to the promise zone fund under this
 20 section must be used solely for payments to eligible districts and
 21 intermediate districts, in accordance with section 17 of the
 22 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,
 23 that have a promise zone development plan approved by the
 24 department of treasury under section 7 of the Michigan promise zone
 25 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and
 26 intermediate districts shall use payments made under this section
 27 for reimbursement for qualified educational expenses as that term
 28 is defined in section 3 of the Michigan promise zone authority act,
 29 2008 PA 549, MCL 390.1663.



1 (3) The promise zone fund is created as a separate account
2 within the state school aid fund to be used solely for the purposes
3 of the Michigan promise zone authority act, 2008 PA 549, MCL
4 390.1661 to 390.1679. All of the following apply to the promise
5 zone fund:

6 (a) The state treasurer shall direct the investment of the
7 promise zone fund. The state treasurer shall credit to the promise
8 zone fund interest and earnings from fund investments.

9 (b) Money in the promise zone fund at the close of a fiscal
10 year remains in the promise zone fund and does not lapse to the
11 general fund.

12 (4) Subject to subsection (2), the state treasurer may make
13 payments from the promise zone fund to eligible districts and
14 intermediate districts under the Michigan promise zone authority
15 act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the
16 purposes of a promise zone authority created under that act.

17 (5) Notwithstanding section 17b, the department shall make
18 payments under this section on a schedule determined by the
19 department.

20 Sec. 26d. (1) From the state school aid fund money
21 appropriated under section 11, there is allocated an amount not to
22 exceed \$7,500,000.00 for ~~2021-2022~~**2022-2023** for reimbursements to
23 intermediate districts as required under section 15b of the
24 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.

25 (2) The amounts reimbursed under subsection (1) must be used
26 by the intermediate district only for the purposes for which the
27 property taxes were originally levied.

28 (3) The Michigan strategic fund and the Michigan economic
29 development corporation shall work with the department of treasury



1 in identifying the amount of tax revenues that are to be reimbursed
2 under subsection (1).

3 (4) Notwithstanding section 17b, the department shall make
4 payments under this section on a schedule determined by the
5 department.

6 Sec. 27a. (1) From the state school aid fund money
7 appropriated in section 11, there is allocated for 2022-2023 an
8 amount not to exceed \$25,000,000.00 for a Michigan student teacher
9 scholarship program as provided in this section.

10 (2) The department may award a Michigan student teacher
11 scholarship in the amount provided in subsection (4) to an eligible
12 educator preparation program to award it to an individual
13 determined by the department to meet all of the following
14 eligibility criteria by the date of enrollment in the program
15 described in subdivision (b):

16 (a) Has graduated from high school with a diploma or
17 certificate of completion or achieved a high school equivalency
18 certificate.

19 (b) Is admitted to an eligible educator preparation program
20 for teacher certification and agrees to serve as a student teacher
21 in a district for each semester he or she receives funding under
22 this section.

23 (c) Has not previously earned a teacher certification.

24 (d) Has timely completed a scholarship application in a form
25 and manner determined by the department.

26 (e) Has timely filed the Free Application for Federal Student
27 Aid for the enrollment period for the program described in
28 subdivision (b).

29 (f) Has timely applied for all available gift aid for the



1 enrollment period for the program described in subdivision (b) .

2 (g) Has agreed to repay any Michigan student teacher
3 scholarship money received if the individual does not maintain
4 enrollment in an eligible educator preparation program, does not
5 successfully complete an eligible educator preparation program,
6 does not serve as a student teacher as agreed, or does not work in
7 a public school or in a qualifying Michigan public preschool
8 program for at least 2 years for every year scholarships were
9 received under this section as a certified teacher beginning within
10 1 year after completion of the eligible educator preparation
11 program and the receipt of teacher certification, subject to
12 subsection (6) and guidance developed by the department.

13 (3) The department may continue to award a Michigan student
14 teacher scholarship in the amount provided under subsection (4) to
15 an individual initially eligible under subsection (2) who the
16 department determines meets all of the following continuing
17 eligibility criteria:

18 (a) Maintains continuous enrollment in an eligible educator
19 preparation program and again agrees to serve as a student teacher
20 in a district for each semester he or she received funding under
21 this section.

22 (b) Maintains satisfactory academic progress according to the
23 standards of the eligible educator preparation program.

24 (c) Participates in relevant academic and career advising
25 programs offered by the eligible educator preparation program.

26 (d) Timely files the Free Application for Federal Student Aid
27 for each academic year in which the individual receives a Michigan
28 student teacher scholarship.

29 (e) Timely applies for all available gift aid for each



1 academic year in which the individual applies for a Michigan
2 student teacher scholarship.

3 (4) A Michigan student teacher scholarship must not exceed
4 \$3,750.00 for each individual described in subsections (1) and (3)
5 for each semester he or she student teaches as described in this
6 section.

7 (5) The Michigan student teacher scholarship must be
8 distributed to eligible educator preparation programs on a timeline
9 determined by the department.

10 (6) If a Michigan student teacher scholarship recipient does
11 not maintain enrollment in an eligible educator preparation
12 program, does not successfully complete an eligible educator
13 preparation program, does not student teach as agreed, does not
14 work as a certified teacher in a public school or in a qualifying
15 Michigan public preschool program within a year after completing an
16 eligible educator preparation program and receiving a teacher
17 certification, or does not maintain employment in a public school
18 or in a qualifying Michigan public preschool program for at least 2
19 years for every year a scholarship was received, all scholarship
20 amounts received convert to a 0% interest loan that must be repaid
21 to this state. The amount of repayment must be reduced
22 proportionate to the number of years worked in a public school as a
23 certified teacher or in a qualifying Michigan public preschool
24 program out of the total number of years the recipient agreed to
25 work in public school as a certified teacher or in a qualifying
26 Michigan public preschool program. The department shall develop
27 guidance to enforce this subsection. This guidance may include
28 hardship provisions that allow a loan to be reduced or discharged.

29 (7) As used in this section:



1 (a) "Eligible educator preparation program" means an educator
2 preparation program approved by the department that is provided by
3 a public university or district.

4 (b) "Gift aid" means federal Pell grants under 20 USC 1070a
5 and tuition incentive program benefits under section 256. The term
6 does not include any of the following:

7 (i) Student loans.

8 (ii) Work-study awards.

9 (iii) Qualified withdrawals made from education savings accounts
10 to pay higher education expenses pursuant to the Michigan education
11 savings program act, 2000 PA 161, MCL 390.1471 to 390.1486.

12 (iv) Higher education expenses paid under the Michigan
13 education trust program, pursuant to the Michigan education trust
14 act, 1986 PA 316, MCL 390.1421 to 390.1442.

15 (v) Higher education expenses paid under the Michigan promise
16 zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679.

17 (c) "Public school" means that term as defined in section 5 of
18 the revised school code, 1976 PA 451, MCL 380.5.

19 (d) "Public university" means a university receiving an
20 appropriation in section 236 or an independent nonprofit college or
21 university that grants 4-year teaching degrees.

22 Sec. 27b. (1) From the general fund money appropriated in
23 section 11, there is allocated for 2022-2023 an amount not to
24 exceed \$5,000,000.00 to 1 eligible vendor to continue providing
25 student-transportation services to districts and intermediate
26 districts.

27 (2) To receive funding under this section, a vendor must apply
28 for the funding in a form and manner prescribed by the department.

29 (3) An eligible vendor that receives funding under this



1 section shall use the funding for the provision of student-
 2 transportation services as described in subsection (1) and may use
 3 the funding for any of the following as related to the provision to
 4 student-transportation services:

5 (a) Hiring costs.

6 (b) Training costs.

7 (c) Retention incentives.

8 (4) As used in this section, "eligible vendor" means a vendor
 9 that meets both of the following:

10 (a) Provides student-transportation services to districts and
 11 intermediate districts.

12 (b) Has a contract with a district or intermediate district,
 13 as of the date of the submission of its application described in
 14 subsection (2), for the provision of student-transportation
 15 services for students enrolled in that district or intermediate
 16 district.

17 Sec. 28. (1) To recognize differentiated instructional costs
 18 for different types of pupils in ~~2021-2022~~, **2022-2023**, the
 19 following sections provide a weighted foundation allocation or an
 20 additional payment of some type in the following amounts, as
 21 allocated under those sections:

22 (a) Section 22d, isolated and rural districts, ~~\$8,420,000.00.~~
 23 **\$8,841,000.00.**

24 (b) Section 31a, at risk, standard programming,
 25 \$512,500,000.00.

26 (c) Section 31a, at risk, additional payment, \$12,000,000.00.

27 (d) Section 41, bilingual education for English language
 28 learners, \$25,200,000.00.

29 (e) Section 51c, special education, mandated percentages,



1 ~~\$733,400,000.00.~~ **\$710,000,000.00.**

2 (f) Section 51f, special education, additional percentages,
3 \$90,207,000.00.

4 (g) Section 61a, career and technical education, standard
5 reimbursement, \$37,611,300.00.

6 (h) Section 61d, career and technical education incentives,
7 \$5,000,000.00.

8 (2) The funding described in subsection (1) is not a separate
9 allocation of any funding but is instead a listing of funding
10 allocated in the sections listed in subsection (1).

11 Sec. 31a. (1) From the state school aid fund money
12 appropriated in section 11, there is allocated for ~~2021-2022-2022-~~
13 **2023** an amount not to exceed ~~\$537,650,000.00,~~ **\$552,650,000.00**, and
14 from the general fund money appropriated in section 11 there is
15 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed
16 \$1,500,000.00 ~~—~~for payments to eligible districts and eligible
17 public school academies for the purposes of ensuring that pupils
18 are proficient in English language arts by the end of grade 3, that
19 pupils are proficient in mathematics by the end of grade 8, that
20 pupils are attending school regularly, that high school graduates
21 are career and college ready, and for the purposes under
22 subsections (7) and (8).

23 (2) For a district that has combined state and local revenue
24 per membership pupil under ~~section~~ **sections 20 and 20m** that is
25 greater than the target foundation allowance under section 20 for
26 the current fiscal year and that, for the immediately preceding
27 fiscal year, had combined state and local revenue per membership
28 pupil under section 20 that was greater than the target foundation
29 allowance under section 20 that was in effect for that fiscal year,



1 the allocation under subsection (4) is an amount equal to 35% of
 2 the allocation for which it would otherwise be eligible under
 3 subsection (4) before any proration under subsection (15). It is
 4 the intent of the legislature that, if revenues are sufficient and
 5 if districts with combined state and local revenue per membership
 6 pupil under ~~section~~**sections 20 and 20m** that is below the target
 7 foundation allowance are receiving nonprorated payments under
 8 subsection (4), the percentage in the immediately preceding
 9 sentence must be increased annually until it reaches 100%. If a
 10 district has combined state and local revenue per membership pupil
 11 under ~~section~~**sections 20 and 20m** that is greater than the target
 12 foundation allowance under section 20 for the current fiscal year,
 13 but for the 2018-2019 fiscal year had combined state and local
 14 revenue per membership pupil under section 20 that was less than
 15 the basic foundation allowance under section 20 that was in effect
 16 for the 2018-2019 fiscal year, the district shall receive an amount
 17 per pupil equal to 11.5% of the ~~statewide weighted average~~**target**
 18 foundation allowance, as applied under subsection (4), and before
 19 any proration under subsection (15).

20 (3) For a district or public school academy to be eligible to
 21 receive funding under this section, other than funding under
 22 subsection (7) or (8), the district or public school academy, for
 23 grades K to 12, must comply with the requirements under section
 24 1280f of the revised school code, MCL 380.1280f, and shall use
 25 resources to address early literacy and numeracy, and for at least
 26 grades K to 12 or, if the district or public school academy does
 27 not operate all of grades K to 12, for all of the grades it
 28 operates, must implement a multi-tiered system of supports that is
 29 an evidence based framework that uses data driven problem solving



1 to integrate academic and behavioral instruction and that uses
 2 intervention delivered to all pupils in varying intensities based
 3 on pupil needs. The multi-tiered system of supports described in
 4 this subsection must provide at least all of the following
 5 essential components:

6 (a) Team-based leadership.

7 (b) A tiered delivery system.

8 (c) Selection and implementation of instruction,
 9 interventions, and supports.

10 (d) A comprehensive screening and assessment system.

11 (e) Continuous data-based decision making.

12 (4) From the state school aid fund money allocated under
 13 subsection (1), there is allocated for ~~2021-2022~~**2022-2023** an
 14 amount not to exceed \$512,500,000.00 to continue a weighted
 15 foundation per pupil payment for districts and public school
 16 academies enrolling economically disadvantaged pupils. The
 17 department shall pay under this subsection to each eligible
 18 district or eligible public school academy an amount per pupil
 19 equal to 11.5% of the ~~statewide weighted average~~**target** foundation
 20 allowance for the following, as applicable:

21 (a) Except as otherwise provided under subdivision (b), (c),
 22 or (d) the greater of the following:

23 (i) The number of membership pupils in the district or public
 24 school academy who are determined to be economically disadvantaged,
 25 as reported to the center in the form and manner prescribed by the
 26 center not later than the fifth Wednesday after the pupil
 27 membership count day of the immediately preceding fiscal year.

28 (ii) If the district or public school academy is in the
 29 community eligibility program, the number of pupils determined to



1 be eligible based on the product of the identified student
2 percentage multiplied by the total number of pupils in the district
3 or public school academy, as reported to the center in the form and
4 manner prescribed by the center not later than the fifth Wednesday
5 after the pupil membership count day of the immediately preceding
6 fiscal year. These calculations must be made at the building level.
7 This subparagraph only applies to an eligible district or eligible
8 public school academy for the fiscal year immediately following the
9 first fiscal year in which it is in the community eligibility
10 program. As used in this subparagraph, "identified student
11 percentage" means the quotient of the number of pupils in an
12 eligible district or eligible public school academy who are
13 determined to be economically disadvantaged, as reported to the
14 center in a form and manner prescribed by the center, not later
15 than the fifth Wednesday after the pupil membership count day in
16 the fiscal year preceding the first fiscal year in which the
17 eligible district or eligible public school academy is in the
18 community eligibility program, divided by the total number of
19 pupils counted in an eligible district or eligible public school
20 academy on the pupil membership count day in the fiscal year
21 preceding the first fiscal year in which the eligible district or
22 eligible public school academy is in the community eligibility
23 program.

24 (b) If the district or public school academy began operations
25 as a district or public school academy after the pupil membership
26 count day of the immediately preceding school year, the number of
27 membership pupils in the district or public school academy who are
28 determined to be economically disadvantaged, as reported to the
29 center in the form and manner prescribed by the center not later



1 than the fifth Wednesday after the pupil membership count day of
2 the current fiscal year.

3 (c) If the district or public school academy began operations
4 as a district or public school academy after the pupil membership
5 count day of the current fiscal year, the number of membership
6 pupils in the district or public school academy who are determined
7 to be economically disadvantaged, as reported to the center in the
8 form and manner prescribed by the center not later than the fifth
9 Wednesday after the supplemental count day of the current fiscal
10 year.

11 (d) If, for a particular fiscal year, the number of membership
12 pupils in a district or public school academy who are determined
13 under subdivision (a) to be economically disadvantaged or to be
14 eligible based on the identified student percentage varies by more
15 than 20 percentage points from the number of those pupils in the
16 district or public school academy as calculated under subdivision
17 (a) for the immediately preceding fiscal year caused by an
18 egregious reporting error by the district or public school academy,
19 the department may choose to have the calculations under
20 subdivision (a) instead be made using the number of membership
21 pupils in the district or public school academy who are determined
22 to be economically disadvantaged, as reported to the center in the
23 form and manner prescribed by the center not later than the fifth
24 Wednesday after the supplemental count day of the immediately
25 preceding fiscal year.

26 (5) Except as otherwise provided in this section, a district
27 or public school academy receiving funding under this section shall
28 use that money only to provide instructional programs and direct
29 noninstructional services, including, but not limited to, medical,



1 mental health, or counseling services, for at-risk pupils; for
 2 school health clinics; and for the purposes of subsection (6), (7),
 3 or (8). In addition, a district that is a school district of the
 4 first class or a district or public school academy in which at
 5 least 50% of the pupils in membership were determined to be
 6 economically disadvantaged in the immediately preceding state
 7 fiscal year, as determined and reported as described in subsection
 8 (4), may use the funds it receives under this section for school
 9 security or school parent liaison personnel. The uses of the funds
 10 described in the immediately preceding sentence must align to the
 11 needs assessment and the multi-tiered system of supports model and,
 12 for funds spent on parent liaison personnel, must connect parents
 13 to the school community. A district or public school academy shall
 14 not use any of the money received under this section for
 15 administrative costs. The instruction or direct noninstructional
 16 services provided under this section may be conducted before or
 17 after regular school hours or by adding extra school days to the
 18 school year.

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

27 (7) From the state school aid fund money allocated under
 28 subsection (1), there is allocated for ~~2021-2022~~**2022-2023** an
 29 amount not to exceed ~~\$8,000,000.00~~**\$23,000,000.00** to support



primary health care services provided to children and adolescents up to age 21. These funds must be expended in a form and manner determined jointly by the department and the department of health and human services. ~~If any~~ **When making funding decisions for new adolescent health centers under this subsection, the department and the department of health and human services shall prioritize support of primary health care services in unserved counties as of the date of the amendatory act that added this section. An amount not to exceed 5% of the funds allocated under this subsection must be made available for technical support and coordination services from a nonprofit organization exclusively dedicated to serving adolescent health centers in this state and whose membership includes federally qualified health centers, local public health departments, hospital systems, and public school districts. Any funds allocated under this subsection are not used for the purposes of this subsection for the fiscal year in which they are allocated, those unused funds must be used that fiscal year to avoid or minimize any proration that would otherwise be required under subsection (15) for that fiscal year.** **are a work project appropriation and are carried over into the next fiscal year.**

(8) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$5,150,000.00 for the state portion of the hearing and vision screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and, from the general fund money allocated under subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$1,500,000.00 for the state portion of the dental screenings as described in part 93 of the public health code, 1978 PA 368, MCL



1 333.9301 to 333.9329. A local public health department shall pay at
2 least 50% of the total cost of the screenings. The frequency of the
3 vision screenings must be as required under R 325.13091 to R
4 325.13096 of the Michigan Administrative Code and the frequency of
5 the hearing screenings must be as required under R 325.3271 to R
6 325.3276 of the Michigan Administrative Code. Funds must be awarded
7 in a form and manner approved jointly by the department and the
8 department of health and human services. Notwithstanding section
9 17b, the department shall make payments to eligible entities under
10 this subsection on a schedule determined by the department.

11 (9) Each district or public school academy receiving funds
12 under this section shall submit to the department by July 15 of
13 each fiscal year a report, in the form and manner prescribed by the
14 department, that includes a brief description of each program
15 conducted or services performed by the district or public school
16 academy using funds under this section, the amount of funds under
17 this section allocated to each of those programs or services, the
18 total number of at risk pupils served by each of those programs or
19 services, and the data necessary for the department and the
20 department of health and human services to verify matching funds
21 for the temporary assistance for needy families program. In
22 prescribing the form and manner of the report, the department shall
23 ensure that districts are allowed to expend funds received under
24 this section on any activities that are permissible under this
25 section. If a district or public school academy does not comply
26 with this subsection, the department shall withhold an amount equal
27 to the August payment due under this section until the district or
28 public school academy complies with this subsection. If the
29 district or public school academy does not comply with this



1 subsection by the end of the fiscal year, the withheld funds are
2 forfeited to the school aid fund.

3 (10) In order to receive funds under this section, a district
4 or public school academy must allow access for the department or
5 the department's designee to audit all records related to the
6 program for which it receives those funds. The district or public
7 school academy shall reimburse the state for all disallowances
8 found in the audit.

9 (11) Subject to subsections (6), (7), and (8), for schools in
10 which more than 40% of pupils are identified as at-risk, a district
11 or public school academy may use the funds it receives under this
12 section to implement tier 1, evidence-based practices in schoolwide
13 reforms that are guided by the district's comprehensive needs
14 assessment and are included in the district improvement plan.
15 Schoolwide reforms must include parent and community supports,
16 activities, and services, that may include the pathways to
17 potential program created by the department of health and human
18 services or the communities in schools program. As used in this
19 subsection, "tier 1, evidence-based practices" means research based
20 instruction and classroom interventions that are available to all
21 learners and effectively meet the needs of most pupils.

22 (12) A district or public school academy that receives funds
23 under this section may use those funds to provide research based
24 professional development and to implement a coaching model that
25 supports the multi-tiered system of supports framework.
26 Professional development may be provided to district and school
27 leadership and teachers and must be aligned to professional
28 learning standards; integrated into district, school building, and
29 classroom practices; and solely related to the following:



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

4 (b) Implementing section 1280f of the revised school code, MCL
5 380.1280f, as required under subsection (3), with fidelity.

6 (13) A district or public school academy that receives funds
7 under subsection (4) or (17) may use funds received under
8 subsection (4) or (17) for support staff providing services to at-
9 risk pupils.

10 (14) A district or public school academy that receives funds
11 under this section may use up to 10% of the funds received under
12 this section to provide evidence-based instruction for pre-
13 kindergarten instructional and noninstructional services to
14 children who meet at least 1 of the criteria in subsection
15 (20) (a) (i) to (x).

16 (15) If necessary, ~~and before any proration required under~~
17 ~~section 296,~~ the department shall prorate payments under this
18 section, except payments under subsection (7), (8), or (17), by
19 reducing the amount of the allocation as otherwise calculated under
20 this section by an equal percentage per district.

21 (16) If a district is dissolved pursuant to section 12 of the
22 revised school code, MCL 380.12, the intermediate district to which
23 the dissolved district was constituent shall determine the
24 estimated number of pupils that are economically disadvantaged and
25 that are enrolled in each of the other districts within the
26 intermediate district and provide that estimate to the department
27 for the purposes of distributing funds under this section within 60
28 days after the district is declared dissolved.

29 (17) From the state school aid fund money allocated under



subsection (1), there is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed \$12,000,000.00 for payments to districts and public school academies that otherwise received an allocation under this subsection for ~~2020-2021~~**2021-2022** and whose allocation under this section for ~~2020-2021~~**2021-2022**, excluding any payments under subsection (7) or (8), would have been more than the district's or public school academy's allocation under this section for ~~2021-2022~~**2022-2023** as calculated under subsection (4) only and as adjusted under subsection (15). The allocation for each district or public school academy under this subsection is an amount equal to its allocation under this section for ~~2020-2021~~**2021-2022** minus its allocation as otherwise calculated under subsection (4) for ~~2021-2022~~**2022-2023** as adjusted by subsection (15), using in those calculations the 2017-2018 number of pupils determined to be economically disadvantaged. However, if the allocation as otherwise calculated under this subsection would have been less than \$0.00, the allocation under this subsection is \$0.00. If necessary, and before any proration required under section 296, the department shall prorate payments under this subsection by reducing the amount of the allocation as otherwise calculated under this subsection by an equal percentage per district or public school academy. Any unexpended funds under this subsection are to be distributed through payments made under subsection (4) as provided under subsection (4), but those funds must not be factored into calculating payments under this subsection.

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

(19) The department shall collaborate with the department of



1 health and human services to prioritize assigning Pathways to
2 Potential success coaches to elementary schools that have a high
3 percentage of pupils in grades K to 3 who are not proficient in
4 English language arts, based upon state assessments for pupils in
5 those grades.

6 (20) As used in this section:

7 (a) "At-risk pupil" means a pupil in grades pre-K to 12 for
8 whom the district has documentation that the pupil meets any of the
9 following criteria:

10 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

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

27 (x) Is a pupil who is at risk of not meeting the district's or
28 public school academy's core academic curricular objectives in
29 English language arts or mathematics, as demonstrated on local



1 assessments.

2 (b) "Combined state and local revenue" means the aggregate of
3 the district's state school aid received by or paid on behalf of
4 the district under section 20 and the district's local school
5 operating revenue.

6 (c) "Combined state and local revenue per membership pupil"
7 means the district's combined state and local revenue divided by
8 the district's membership excluding special education pupils.

9 (d) ~~(b)~~ "Economically disadvantaged" means a pupil who has
10 been determined eligible for free or reduced-price meals as
11 determined under the Richard B. Russell national school lunch act,
12 42 USC 1751 to 1769j; who is in a household receiving supplemental
13 nutrition assistance program or temporary assistance for needy
14 families assistance; or who is homeless, migrant, or in foster
15 care, as reported to the center.

16 (e) ~~(e)~~ "English language learner" means limited English
17 proficient pupils who speak a language other than English as their
18 primary language and have difficulty speaking, reading, writing, or
19 understanding English as reported to the center.

20 ~~(d) "Statewide weighted average foundation allowance" means~~
21 ~~the number that is calculated by adding together the result of each~~
22 ~~district's or public school academy's foundation allowance, not to~~
23 ~~exceed the target foundation allowance for the current fiscal year,~~
24 ~~or per pupil payment calculated under section 20 multiplied by the~~
25 ~~number of pupils in membership in that district or public school~~
26 ~~academy, and then dividing that total by the statewide number of~~
27 ~~pupils in membership.~~

28 (f) "Local school operating revenue" means that term as
29 defined in section 22b.



1 Sec. 31d. (1) From the ~~appropriations~~ **state school aid fund**
 2 **money appropriated** in section 11, there is allocated an amount not
 3 to exceed ~~\$23,838,400.00 for 2020-2021 and there is allocated an~~
 4 ~~amount not to exceed \$23,838,400.00~~ **\$24,553,400.00** for ~~2021-2022~~
 5 **2022-2023** for the purpose of making payments to districts and other
 6 eligible entities under this section.

7 (2) The amounts allocated from state sources under this
 8 section are used to pay the amount necessary to reimburse districts
 9 for 6.0127% of the necessary costs of the state mandated portion of
 10 lunch programs provided by those districts. The department shall
 11 calculate the amount due to each district under this section using
 12 the methods of calculation adopted by the Michigan supreme court in
 13 the consolidated cases known as *Durant v State of Michigan*, 456
 14 Mich 175 (1997).

15 (3) The payments made under this section include all state
 16 payments made to districts so that each district receives at least
 17 6.0127% of the necessary costs of operating the state mandated
 18 portion of the lunch program in a fiscal year.

19 (4) The payments made under this section to districts and
 20 other eligible entities that are not required under section 1272a
 21 of the revised school code, MCL 380.1272a, to provide a lunch
 22 program must be in an amount not to exceed \$10.00 per eligible
 23 pupil plus 5 cents for each free lunch and 2 cents for each reduced
 24 price lunch provided, as determined by the department.

25 (5) From the federal funds appropriated in section 11, there
 26 is allocated for ~~2020-2021-2021-2022~~ all available federal funding,
 27 estimated at ~~\$800,000,000.00, \$900,000,000.00~~, and there is
 28 allocated for ~~2021-2022-2022-2023~~ all available federal funding,
 29 estimated at ~~\$545,000,000.00 \$900,000,000.00~~, for child nutrition



1 programs and, for 2020-2021, ~~all available federal funding,~~
 2 ~~estimated at \$15,712,000.00 for food distribution programs,~~
 3 ~~\$50,000,000.00 for the child nutrition program pandemic electronic~~
 4 ~~benefit transfer cost reimbursement program, \$50,000,000.00 for~~
 5 ~~child nutrition program emergency operational cost reimbursement~~
 6 ~~programs, and \$259,600.00 for commodity supplemental fund programs,~~
 7 ~~and, for 2021-2022, all available federal funding, estimated at~~
 8 ~~\$11,000,000.00, \$30,700,000.00, and, for 2022-2023, all available~~
 9 **federal funding, estimated at \$15,000,000.00,** for food distribution
 10 programs.

11 (6) Notwithstanding section 17b, the department shall make
 12 payments to eligible entities other than districts under this
 13 section on a schedule determined by the department.

14 (7) In purchasing food for a lunch program funded under this
 15 section, a district or other eligible entity shall give preference
 16 to food that is grown or produced by Michigan businesses if it is
 17 competitively priced and of comparable quality.

18 Sec. 31f. (1) From the state school aid fund money
 19 appropriated in section 11, there is allocated an amount not to
 20 exceed \$11,900,000.00 for ~~2020-2021~~ **2021-2022** and there is
 21 allocated an amount not to exceed \$11,900,000.00 for ~~2021-2022~~
 22 **2022-2023** for the purpose of making payments to districts to
 23 reimburse for the cost of providing breakfast.

24 (2) The funds allocated under this section for school
 25 breakfast programs are made available to all eligible applicant
 26 districts that meet all of the following criteria:

27 (a) The district participates in the federal school breakfast
 28 program and meets all standards as prescribed by 7 CFR parts 210,
 29 220, 225, 226, and 245.



(b) Each breakfast eligible for payment meets the federal standards described in subdivision (a).

(3) The payment for a district under this section is at a per meal rate equal to the lesser of the district's actual cost or 100% of the statewide average cost of a meal served, as determined and approved by the department, less federal reimbursement, participant payments, and other state reimbursement. The department shall determine the statewide average cost using costs as reported in a manner approved by the department for the preceding school year.

(4) Notwithstanding section 17b, the department may make payments under this section pursuant to an agreement with the department.

(5) In purchasing food for a school breakfast program funded under this section, a district shall give preference to food that is grown or produced by Michigan businesses if it is competitively priced and of comparable quality.

Sec. 31j. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$500,000.00 and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$4,500,000.00~~ **\$4,000,000.00** for 2021-2022, **and from the general fund money appropriated in section 11, there is allocated an amount not to exceed \$500,000.00 and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$8,800,000.00 for 2022-2023** for a program to support districts and other non-school sponsors in the purchase of locally grown fruits and vegetables as described in this section.

(2) Funding under this section retained by the department for administration must not exceed 5%. Funding under this section



1 retained by project partners for data collection outreach and
 2 training must not exceed 1% for each partner.

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

17 (4) The goals of the program under this section include
 18 improving daily nutrition and eating habits for children through
 19 the school and child care settings while investing in Michigan's
 20 agricultural and related food business economy.

21 (5) A district or other non-school sponsor that receives a
 22 grant under this section shall use those funds for the costs
 23 incurred by the district or the sponsor to purchase whole or
 24 minimally processed fruits, vegetables, and legumes that meet ~~all~~
 25 **both** of the following:

26 (a) ~~Were~~ **For 2021-2022, were** purchased for use in ~~school-meals~~
 27 **and supportive activities as part of the United States Department**
 28 **of Agriculture child nutrition programs** served between September 1,
 29 2021 through August 30, 2022. **For 2022-2023, were purchased for use**



1 in meals and supportive activities as part of the United States
 2 Department of Agriculture child nutrition programs served between
 3 September 1, 2022 through August 30, 2023.

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

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

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

14 ~~(7) A district or other non-school sponsor that receives a~~
 15 ~~grant for reimbursement under this section shall use the grant to~~
 16 ~~purchase whole or minimally processed fruits, vegetables, and~~
 17 ~~legumes that are grown in this state and, if minimally processed,~~
 18 ~~are also processed in this state.~~

19 (7) ~~(8)~~—In awarding grants under this section, the department
 20 shall work in consultation with Michigan-based farm to school
 21 resource organizations, to develop scoring criteria that assess an
 22 applicant's ability to procure Michigan-grown products, prepare and
 23 menu Michigan-grown products, promote and market Michigan-grown
 24 products, and submit letters of intent from districts or other non-
 25 school sponsors on plans for educational activities that promote
 26 the goals of the program.

27 (8) ~~(9)~~—The department shall give preference to districts or
 28 other non-school sponsors that propose educational activities that
 29 meet 1 or more of the following: promote healthy food activities;



1 have clear educational objectives; involve parents or the
 2 community; connect to a school's or child care center's farm-to-
 3 school or farm-to-early-child-care procurement activities; and
 4 market and promote the program, leading to increased pupil
 5 knowledge and consumption of Michigan-grown products. The
 6 department shall give stronger weighting and consideration to
 7 applications with robust marketing and promotional activities.

8 (9) ~~(10)~~—In awarding grants, the department shall also
 9 consider all of the following:

10 (a) The percentage of children who qualify for free or reduced
 11 price school meals under the Richard B. Russell national school
 12 lunch act, 42 USC 1751 to 1769j.

13 (b) The variety of school or child care center sizes and
 14 geographic locations within the identified prosperity regions.

15 ~~(c) The existing or future collaboration opportunities between~~
 16 ~~more than 1 district or child care center.~~**Existing or planned**
 17 **collaboration between child care sponsors, between districts, or**
 18 **with agricultural businesses and essential local food**
 19 **infrastructure, such as farms, farm cooperatives, processors,**
 20 **distributors, and local food hubs.**

21 (10) ~~(11)~~—As a condition of receiving a grant under this
 22 section, a district or other non-school sponsor shall provide or
 23 direct its vendors to provide to the department copies of monthly
 24 receipts that show the quantity of different Michigan-grown fruits,
 25 vegetables, and legumes purchased, the amount of money spent on
 26 each of these products, the name and Michigan location of the farm
 27 that grew the products, and the methods or plans to market and
 28 promote the program. The district or other non-school sponsor also
 29 shall provide to the department monthly United States Department of



1 Agriculture child nutrition reimbursable meal numbers ~~and~~
 2 ~~participation rates~~ and must retain monthly menus noting when and
 3 how Michigan-grown products were used in meals. The district or
 4 other non-school sponsor and school or non-school sponsor food
 5 service director or directors also shall agree to respond to brief
 6 online surveys and to provide a report that shows the percentage
 7 relationship of Michigan spending compared to total food spending.
 8 Not later than 60 days after the end of the ~~school year period~~ in
 9 which funds under this section were received, **and in which federal**
 10 **Child Nutrition Programs require submission of claims**, each
 11 district or each non-school sponsor shall submit a report to the
 12 department on outcomes and related measurements for economic
 13 development and children's nutrition and readiness to learn. The
 14 report must include at least both of the following:

15 (a) The extent to which farmers and related businesses,
 16 including distributors and processors, saw an increase in market
 17 opportunities and income generation through sales of Michigan or
 18 local products to districts and other non-school sponsors. All of
 19 the following apply for purposes of this subdivision:

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

29 (ii) The district or other non-school sponsor shall use



1 purchasing data collected for the program and surveys of school and
 2 non-school sponsor food service directors on the impact and success
 3 of the program as the source for the data described in subparagraph
 4 (i) .

5 (b) The ability to which pupils can access a variety of
 6 healthy Michigan-grown foods through schools and other non-school
 7 sponsor centers and increase their consumption of those foods. All
 8 of the following apply for purposes of this subdivision:

9 (i) The data used to determine whether this subdivision is met
 10 are the number of pupils exposed to Michigan-grown fruits,
 11 vegetables, and legumes at schools and non-school sponsor centers;
 12 the variety of products served; new items taste-tested or placed on
 13 menus; and the increase in pupil willingness to try new local
 14 healthy foods.

15 (ii) The district or other non-school sponsor shall use
 16 purchasing data collected for the project, meal count and
 17 enrollment numbers, school menu calendars, and surveys of school
 18 and non-school sponsor food service directors as the source for the
 19 data described in subparagraph (i) .

20 (11) ~~(12)~~—The department shall compile the reports provided by
 21 districts and other non-school sponsors under subsection ~~(11)~~—(10)
 22 into 1 legislative report. The department shall provide this report
 23 not later than ~~November 1, 2022~~ **April 1, 2023 for 2021-2022 and not**
 24 **later than April 1, 2024 for 2022-2023** to the house and senate
 25 subcommittees responsible for school aid, the house and senate
 26 fiscal agencies, and the state budget director.

27 (12) ~~(13)~~—Notwithstanding section 17b, the department shall
 28 make payments under this section on a schedule determined by the
 29 department.



1 Sec. 31n. (1) From the state school aid fund money
2 appropriated in section 11, there is allocated for ~~2021-2022-2022-~~
3 **2023** for the purposes of this section an amount not to exceed
4 \$52,600,000.00 and from the general fund money appropriated in
5 section 11, there is allocated for ~~2021-2022-2022-2023~~ for the
6 purposes of this section an amount not to exceed \$1,300,000.00. The
7 department and the department of health and human services shall
8 continue a program to distribute this funding to add licensed
9 behavioral health providers for general education pupils, and shall
10 continue to seek federal Medicaid match funding for all eligible
11 mental health and support services.

12 (2) The department and the department of health and human
13 services shall maintain an advisory council for programs funded
14 under this section. The advisory council shall define goals for
15 implementation of programs funded under this section, and shall
16 provide feedback on that implementation. At a minimum, the advisory
17 council shall consist of representatives of state associations
18 representing school health, school mental health, school
19 counseling, education, health care, and other organizations,
20 representatives from the department and the department of health
21 and human services, and a representative from the school safety
22 task force created under Executive Order No. 2018-5. The department
23 and department of health and human services, working with the
24 advisory council, shall determine an approach to increase capacity
25 for mental health and support services in schools for general
26 education pupils, and shall determine where that increase in
27 capacity qualifies for federal Medicaid match funding.

28 (3) The advisory council shall develop a fiduciary agent
29 checklist for intermediate districts to facilitate development of a



1 plan to submit to the department and to the department of health
2 and human services. The department and department of health and
3 human services shall determine the requirements and format for
4 intermediate districts to submit a plan for possible funding under
5 subsection (6). The department shall make applications for funding
6 for this program available to districts and intermediate districts
7 not later than December 1, ~~2021-2022~~ for the ~~2021-2022-2022-2023~~
8 fiscal year and shall award the funding not later than February 1,
9 ~~2022-2023~~ for the ~~2021-2022-2022-2023~~ fiscal year.

10 (4) The department of health and human services shall seek to
11 amend the state Medicaid plan or obtain appropriate Medicaid
12 waivers as necessary for the purpose of generating additional
13 Medicaid match funding for school mental health and support
14 services for general education pupils. The intent is that a
15 successful state plan amendment or other Medicaid match mechanisms
16 will result in additional federal Medicaid match funding for both
17 the new funding allocated under this section and for any expenses
18 already incurred by districts and intermediate districts for mental
19 health and support services for general education pupils.

20 (5) From the state school aid fund money allocated under
21 subsection (1), there is allocated for ~~2021-2022-2022-2023~~ an
22 amount not to exceed \$14,300,000.00 to be distributed to the
23 network of child and adolescent health centers to place a licensed
24 master's level behavioral health provider in schools that do not
25 currently have services available to general education students.
26 Child and adolescent health centers that are part of the network
27 described in this subsection shall provide a commitment to maintain
28 services and implement all available federal Medicaid match
29 methodologies. The department of health and human services shall



1 use all existing or additional federal Medicaid match opportunities
2 to maximize funding allocated under this subsection. The department
3 shall provide funds under this subsection to child and adolescent
4 health centers that are part of the network described in this
5 subsection in the same proportion that funding under section 31a(7)
6 is provided to child and adolescent health centers that are part of
7 the network described in this subsection and that are located and
8 operating in those districts. A payment from funding allocated
9 under this subsection must not be paid to an entity that is not
10 part of the network described in this subsection.

11 (6) From the state school aid fund money allocated under
12 subsection (1), there is allocated for ~~2021-2022~~**2022-2023** an
13 amount not to exceed \$37,800,000.00 to be distributed to
14 intermediate districts for the provision of mental health and
15 support services to general education students. If a district or
16 intermediate district is not able to procure the services of a
17 licensed master's level behavioral health provider, the district or
18 intermediate district shall notify the department and the
19 department of health and human services and, if the department and
20 department of health and human services verify that the district or
21 intermediate district attempted to procure services from a master's
22 level behavioral health provider and was not able to do so, then
23 the district or intermediate district may instead procure services
24 from a provider with less than a master's degree in behavioral
25 health. To be able to use the exemption in the immediately
26 preceding sentence, the district or intermediate district must
27 submit evidence satisfactory to the department and department of
28 health and human services demonstrating that the district or
29 intermediate district took measures to procure the services of a



1 licensed master's level behavioral health provider but was unable
2 to do so, and the department and department of health and human
3 services must be able to verify this evidence. From the first
4 \$32,200,000.00 of the funds allocated under this subsection, the
5 department shall distribute \$575,000.00 for ~~2021-2022~~**2022-2023** to
6 each intermediate district that submits a plan approved by the
7 department and the department of health and human services. The
8 department shall distribute the remaining \$5,600,000.00 of the
9 funds allocated under this subsection for ~~2021-2022~~**2022-2023** to
10 intermediate districts on an equal per-pupil basis based on the
11 combined total number of pupils in membership in the intermediate
12 district and its constituent districts, including public school
13 academies that are considered to be constituent districts under
14 section 705(7) of the revised school code, MCL 380.705. The
15 department and department of health and human services shall work
16 cooperatively in providing oversight and assistance to intermediate
17 districts during the plan submission process and shall monitor the
18 program upon implementation. An intermediate district shall use
19 funds awarded under this subsection to provide funding to its
20 constituent districts, including public school academies that are
21 considered to be constituent districts under section 705(7) of the
22 revised school code, MCL 380.705, for the provision of mental
23 health and support services to general education students. In
24 addition to the criteria identified under subsection (7), an
25 intermediate district shall consider geography, cost, or other
26 challenges when awarding funding to its constituent districts.
27 Districts receiving funding under this subsection are encouraged to
28 provide suicide prevention and awareness education and counseling.
29 If funding awarded to an intermediate district remains after funds



are provided by the intermediate district to its constituent districts, the intermediate district may hire or contract for experts to provide mental health and support services to general education students residing within the boundaries of the intermediate district, including, but not limited to, expanding, hiring, or contracting for staff and experts to provide those services directly or to increase access to those services through coordination with outside mental health agencies; **the intermediate district may contract with 1 or more other intermediate districts for coordination and facilitation of activities related to providing mental health and support services to general education students residing within the boundaries of the intermediate district;** and the intermediate district is encouraged to provide suicide prevention and awareness education and counseling. ~~If funding awarded to an intermediate district under this section for 2018-2019 or 2019-2020 remains unspent as of April 1, 2022, the department, in conjunction with the intermediate district, may reallocate the funds to another intermediate district or other intermediate districts capable of expending the funds before September 30, 2022 in accordance with this section as if those funds were originally allocated to the intermediate district or intermediate districts to which the funds are being reallocated.~~

(7) A district requesting funds under this section from the intermediate district in which it is located shall submit an application for funding for the provision of mental health and support services to general education pupils. A district receiving funding from the application process described in this subsection shall provide services to nonpublic students upon request. An intermediate district shall not discriminate against an application



1 submitted by a public school academy simply on the basis of the
2 applicant being a public school academy. The department shall
3 approve grant applications based on the following criteria:

4 (a) The district's commitment to maintain mental health and
5 support services delivered by licensed providers into future fiscal
6 years.

7 (b) The district's commitment to work with its intermediate
8 district to use funding it receives under this section that is
9 spent by the district for general education pupils toward
10 participation in federal Medicaid match methodologies. A district
11 must provide a local match of at least 20% of the funding allocated
12 to the district under section 31n.

13 (c) The district's commitment to adhere to any local funding
14 requirements determined by the department and the department of
15 health and human services.

16 (d) The extent of the district's existing partnerships with
17 community health care providers or the ability of the district to
18 establish such partnerships.

19 (e) The district's documentation of need, including gaps in
20 current mental health and support services for the general
21 education population.

22 (f) The district's submission of a formal plan of action
23 identifying the number of schools and students to be served.

24 (g) Whether the district will participate in ongoing
25 trainings.

26 (h) Whether the district will submit an annual report to the
27 state.

28 (i) Whether the district demonstrates a willingness to work
29 with the state to establish program and service delivery



1 benchmarks.

2 (j) Whether the district has developed a school safety plan or
3 is in the process of developing a school safety plan.

4 (k) Any other requirements determined by the department or the
5 department of health and human services.

6 (8) Funding under this section, including any federal Medicaid
7 funds that are generated, must not be used to supplant existing
8 services.

9 (9) Both of the following are allocated to the department of
10 health and human services from the general fund money allocated
11 under subsection (1):

12 (a) For ~~2021-2022~~, **2022-2023**, an amount not to exceed
13 \$1,000,000.00 for the purpose of upgrading technology and systems
14 infrastructure and other administrative requirements to support the
15 programs funded under this section.

16 (b) For ~~2021-2022~~, **2022-2023**, an amount not to exceed
17 \$300,000.00 for the purpose of administering the programs under
18 this section and working on generating additional Medicaid funds as
19 a result of programs funded under this section.

20 (10) From the state school aid fund money allocated under
21 subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an
22 amount not to exceed \$500,000.00 to intermediate districts on an
23 equal per intermediate district basis for the purpose of
24 administering programs funded under this section.

25 (11) The department and the department of health and human
26 services shall work with the advisory council to develop proposed
27 measurements of outcomes and performance. Those measurements must
28 include, at a minimum, the number of pupils served, the number of
29 schools served, and where those pupils and schools were located.



1 The department and the department of health and human services
 2 shall compile data necessary to measure outcomes and performance,
 3 and districts and intermediate districts receiving funding under
 4 this section shall provide data requested by the department and
 5 department of health and human services for the measurement of
 6 outcomes and performance. The department and department of health
 7 and human services shall provide an annual report not later than
 8 December 1 of each year to the house and senate appropriations
 9 subcommittees on school aid and health and human services, to the
 10 house and senate fiscal agencies, and to the state budget director.
 11 At a minimum, the report must include measurements of outcomes and
 12 performance, proposals to increase efficacy and usefulness,
 13 proposals to increase performance, and proposals to expand
 14 coverage.

15 (12) A district or intermediate district that receives funding
 16 directly or indirectly under this section may carry over any
 17 unexpended funds received under this section for up to 2 fiscal
 18 years beyond the fiscal year in which the funds were received.

19 Sec. 31o. (1) From the state school aid fund money
 20 appropriated in section 11, **subject to subsection (9)**, there is
 21 allocated for 2021-2022 an amount not to exceed ~~\$240,000,000.00~~
 22 **\$239,750,000.00** for payments to eligible districts **and intermediate**
 23 **districts** for the purpose of increasing the number of school
 24 psychologists, school social workers, school counselors, and school
 25 nurses serving students in this state.

26 (2) Except as otherwise provided in this subsection, to
 27 receive funding under this section, a district **or intermediate**
 28 **district** must apply for the funding in a form and manner prescribed
 29 by the department. In its application for funding under this



1 section, a district **or intermediate district** must pledge and
2 provide assurances to the department that it will fully annually
3 fund all staff that are supported with funding under this section
4 in an ongoing manner after the ~~third year it receives funding under~~
5 ~~this section.~~ **district or intermediate district receives its final**
6 **payment under this section.**

7 (3) The department shall award funding to districts **and**
8 **intermediate districts** with the greatest need for additional school
9 psychologists, school social workers, school counselors, or school
10 nurses. To determine the districts **and intermediate districts** with
11 the greatest needs under this subsection, the department shall
12 consider the physical and mental health services available at the
13 district and how close an applicant district **or intermediate**
14 **district** is to meeting the following recommended staff-to-student
15 ratios:

16 (a) 1 school psychologist for every 500 full-time equated
17 pupils counted in the district **or directly served by the**
18 **intermediate district.**

19 (b) 1 school social worker for every 250 full-time equated
20 pupils counted in the district **or directly served by the**
21 **intermediate district.**

22 (c) 1 school counselor for every 250 full-time equated pupils
23 counted in the district **or directly served by the intermediate**
24 **district.**

25 (d) 1 school nurse for every 750 full-time equated pupils
26 counted in the district **or directly served by the intermediate**
27 **district.**

28 (4) To be eligible for funding under this section, a district
29 **or intermediate district** must hire additional school psychologists,



1 school social workers, school counselors, or school nurses by March
 2 1, ~~2022~~**2024** and must maintain support for the new staff in an
 3 ongoing manner. As determined by the department, staff hired and
 4 supported by funding under this section must meet all applicable
 5 state and federal laws, rules, and license requirements to be
 6 considered a school psychologist, school social worker, school
 7 counselor, or school nurse.

8 (5) Subject to subsection (6), payments to eligible districts
 9 **and intermediate districts** must be made as follows:

10 ~~(a) In the first year funds are distributed from this section,~~
 11 **For staff hired before March 1, 2022**, the department shall provide
 12 payments to eligible districts **or intermediate districts** equal to
 13 100% of the annual cost of newly hired school psychologists, school
 14 social workers, school counselors, or school nurses. The amount
 15 paid to the eligible district **or intermediate district** must be the
 16 lesser of the actual cost of the employee, as determined by the
 17 department, or the median wage for an equivalent employee working
 18 in a school setting, as determined by the department, using wage
 19 data from the **United States** Bureau of Labor Statistics that is
 20 specific to this state.

21 ~~(b) In the second year funds are distributed under this~~
 22 ~~section,~~**For staff retained or hired before March 1, 2023**, the
 23 department shall pay eligible districts **or intermediate districts**
 24 66% of the amount paid to the eligible district **or intermediate**
 25 **district** under subdivision (a).

26 ~~(c) In the third year funds are distributed under this~~
 27 ~~section,~~**For staff retained or hired before March 1, 2024**, the
 28 department shall pay eligible districts **or intermediate districts**
 29 33% of the amount paid to the eligible district **or intermediate**



1 **district** under subdivision (a).

2 (6) If, after awarding funding under subsection (3) and
 3 calculating payment amounts under subsection (5), the department
 4 determines that the amount allocated in subsection (1) is
 5 insufficient to fully fund payments under this section, the
 6 department shall prorate payments to eligible districts **or**
 7 **intermediate districts** on an equal percentage basis.

8 (7) The funds allocated under this section for 2021-2022 are a
 9 work project appropriation, and any unexpended funds for 2021-2022
 10 are carried forward into 2022-2023. The purpose of the work project
 11 is to increase the number of school psychologists, school social
 12 workers, school counselors, and school nurses in school buildings.
 13 The estimated completion date of the work project is September 30,
 14 ~~2024-2025~~.

15 (8) Notwithstanding section 17b, the department shall make
 16 payments under this section on a schedule determined by the
 17 department.

18 (9) **From the general fund money appropriated in section 11,**
 19 **there is allocated for 2021-2022 an amount not to exceed**
 20 **\$250,000.00 to the department for the costs of administering the**
 21 **payments of funding under this section.**

22 Sec. 31p. (1) From the state school aid fund money
 23 appropriated under section 11, there is allocated for ~~2020-2021~~
 24 **2022-2023** an amount not to exceed ~~\$5,400,000.00~~ **\$10,000,000.00** for
 25 grants to intermediate districts to implement a TRAILS program as
 26 described in subsection (2).

27 (2) Intermediate districts receiving funding under this
 28 section must use the funding to implement a TRAILS program within
 29 the boundaries of the intermediate district. The TRAILS program



described in this subsection must improve youth access to evidence-based mental health services by training school mental health professionals in effective practices, such as cognitive behavioral therapy and mindfulness.

(3) The department shall establish a grant process to distribute funds under this section.

(4) The department shall award, in an equal amount, grants under this section to each intermediate district that has an approved grant application for funding under this section.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(6) The funds allocated under this section for ~~2020-2021-2022-2023~~ are a work project appropriation, and any unexpended funds for ~~2020-2021-2022-2023~~ are carried forward into ~~2021-2022-2023-2024~~. The purpose of the work project is to continue support for the TRAILS program. The estimated completion date of the work project is September 30, ~~2024-2026~~.

Sec. 31y. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$60,000,000.00 to make payments to districts that operate year-round, balanced calendars during the ~~2021-2022-2022-2023~~ school year. Payments to districts made under this section must be in an amount equal to 3% applied to the district's foundation allowance as calculated under section 20 **during the fiscal year in which payments are being made**, for each pupil enrolled and educated in a year-round balanced calendar by the district. If the funds allocated under this section are insufficient to fully fund the calculations under this section,



1 funding must be prorated on an equal per-pupil basis.

2 (2) The funds allocated under this section for ~~2021-2022-2022-~~
 3 ~~2023~~ are a work project appropriation, and any unexpended funds for
 4 ~~2021-2022-2022-2023~~ are carried forward into ~~2022-2023.~~ ~~2023-2024.~~
 5 The purpose of the work project is to provide operational payments
 6 for districts utilizing a balanced calendar. The estimated
 7 completion date of the work project is September 30, ~~2024-2025.~~

8 Sec. 31z. (1) From the federal funds allocated under section
 9 11n, there is allocated \$75,000,000.00 for 2021-2022 from the
 10 federal funding awarded to this state from the coronavirus state
 11 fiscal recovery fund under the American rescue plan act of 2021,
 12 title IX, subtitle M of Public Law 117-2, to provide capital
 13 infrastructure grants to districts.

14 (2) From the funds allocated under subsection (1),
 15 \$75,000,000.00 must be allocated for matching grants to districts
 16 for HVAC and other one-time infrastructure or equipment costs
 17 necessary to operate a year-round, balanced calendar. A district
 18 that receives a grant under this subsection shall commit to
 19 operating a year-round, balanced calendar in the 2022-2023 school
 20 year, and if it is unable to do so, the department must deduct the
 21 amount of the grant paid under this subsection from the district's
 22 state aid payments that are otherwise due to the district under
 23 this article during the 2022-2023 school year. The department shall
 24 establish a sliding scale for grant payments under this section
 25 such that districts that received higher total ESSER payments under
 26 section 11r, evaluated on a per-pupil and total dollar basis,
 27 receive smaller matching grants than those with lower total ESSER
 28 payments, evaluated on a per-pupil and total dollar basis.

29 (3) **The funds allocated under this section for 2021-2022 are a**



1 work project appropriation, and any unexpended funds for 2021-2022
2 are carried forward into 2022-2023. The purpose of the work project
3 is to provide supports for districts utilizing a balanced calendar.
4 The estimated completion date of the work project is September 30,
5 2024.

6 Sec. 31aa. (1) From the state school aid fund money
7 appropriated in section 11, there is allocated \$15,000,000.00 for
8 the student mental health apprenticeship retention and training
9 (SMART) internship grant program.

10 (2) Except as otherwise provided in this subsection, to
11 receive a grant under this section, a district must apply for the
12 funding in a form and manner prescribed by the department. In its
13 application submitted as described in this subsection, a district
14 must include a pledge that it will ensure that each designated
15 recipient who receives payments from the district from grant
16 funding awarded under this section has agreed to work at a district
17 for not less than 3 school years but not more than 5 school years
18 as of the date of the agreement.

19 (3) A district that receives grant funding under this section
20 shall use the grant funding as follows:

21 (a) To pay each eligible designated recipient in the district
22 an amount equal to \$25.00 per hour for each hour spent in an intern
23 capacity for up to 20 hours per week of an internship in the
24 district that occurs over a 30-week period in a school year or a
25 lump sum amount equal to \$15,000.00 for up to 20 hours per week of
26 an internship in the district that occurs over a 30-week period in
27 a school year. The lump sum amount described in this subdivision
28 must be paid at the end of the 30-week period described in this
29 subdivision. As used in this subdivision, "eligible designated



1 recipient" means a designated recipient to whom both of the
2 following apply:

3 (i) Either of the following:

4 (A) The individual is enrolled in a graduate-level mental
5 health professional program described in subsection (12)(b) who is
6 in the first year of an internship period required by the program
7 and who is serving as a substitute teacher or in a paraprofessional
8 role in the district as described in this subdivision or who is in
9 a supervised role in the district as described in this subdivision
10 and following best-practice training and supervision requirements
11 as indicated by national standards set forth by the appropriate
12 national professional organizations. As used in this sub-
13 subparagraph, "supervised role" means a role in which the
14 individual is supervised by a field supervisor, field instructor,
15 or supervisor while he or she is serving in the role.

16 (B) The individual is enrolled in a graduate-level mental
17 health professional program described in subsection (12)(b) who is
18 in the second year of an internship period required by the program
19 and who is in a supervised role in the district as described in
20 this subdivision and following best-practice training and
21 supervision requirements as indicated by national standards set
22 forth by the appropriate national professional organizations. As
23 used in this sub-subparagraph, "supervised role" means a role in
24 which the individual is supervised by a field supervisor, field
25 instructor, or supervisor while he or she is serving in the role.

26 (ii) At least 1 of the following applies to the individual's
27 work as described under this subdivision:

28 (A) The individual is interning in a discipline that has been
29 designated as critical shortage by the superintendent of public



1 instruction for the immediately preceding school fiscal year under
2 section 38 of the public school employees retirement act of 1979,
3 1980 PA 300, MCL 38.1361.

4 (B) The individual is interning in a district in which not
5 less than 50% of pupils enrolled are eligible for free or reduced-
6 price meals under the Richard B. Russell national school lunch act,
7 42 USC 1751 to 1769j.

8 (C) The individual is interning in a district that received
9 funding under section 22d in the immediately preceding school
10 fiscal year.

11 (b) To pay each field supervisor, field instructor, or
12 supervisor an amount not to exceed \$250.00 for each designated
13 recipient in the district that he or she supervises.

14 (4) Payments described in subsection (3) (a) must be made in
15 either of the following ways, as applicable:

16 (a) On the same pay period or schedule offered to other
17 educational professionals at the district in which the designated
18 recipient is serving for purposes of qualifying for funding under
19 this section.

20 (b) Through 1 lump-sum payment on the date on which the
21 designated recipient's service for purposes of qualifying for
22 funding under this section ends.

23 (5) Both of the following apply to payments described in
24 subsection (3) (a), as applicable:

25 (a) For designated recipients who receive \$25.00 per hour as
26 described in subsection (3):

27 (i) If the designated recipient permanently ceases to satisfy
28 the qualification requirements that initially made the designated
29 recipient eligible for funding under this section either by his or



1 her own initiative, by initiative of the district in which he or
2 she was interning, or by initiative of the graduate-level mental
3 health professional program described in subsection (12) (b) ,
4 payments must stop as of the date on which this occurs.

5 (ii) If the designated recipient temporarily ceases to satisfy
6 the qualification requirements that initially made the designated
7 recipient eligible for funding under this section because he or she
8 is relocating to intern in another district or due to a leave of
9 absence, payments must stop during the period which the individual
10 does not meet the requirements, but may be continued when the
11 individual again meets the qualification requirements, but must not
12 be continued beyond 30 weeks from the date the individual initially
13 started his or her internship at the district under subsection (3) .

14 (b) For designated recipients who receive the lump sum of
15 \$15,000.00 as described in subsection (3) :

16 (i) If the designated recipient permanently ceases to satisfy
17 the qualification requirements that initially made the designated
18 recipient eligible for funding under this section either by his or
19 her own initiative, by initiative of the district in which he or
20 she was interning, or by initiative of the graduate-level mental
21 health professional program described in subsection (12) (b) , the
22 recipient may receive a pro rata amount of the lump sum that
23 reflects the number of hours the individual interned at the
24 district while meeting the qualification requirements for funding
25 under this section.

26 (ii) If the designated recipient temporarily ceases to satisfy
27 the qualification requirements that initially made the designated
28 recipient eligible for funding under this section because he or she
29 is relocating to intern in another district or due to a leave of

1 absence, the individual is still eligible to receive the full
2 amount of the lump sum if he or she completes all of the
3 qualification requirements for funding under this section.

4 (6) A district may, for extenuating circumstances, make a debt
5 or expense repayment from funding received under this section to a
6 designated recipient before or during each year of service that the
7 designated recipient will complete or is completing for purposes of
8 qualifying for funding under this section from the district.

9 (7) For purposes of this section, each state university that
10 designated recipients are enrolled in for the graduate-level mental
11 health professional program described in subsection (12)(b) may
12 continue implementing any existing evaluation processes required as
13 part of any certification, licensing, or approval requirements
14 associated with serving as a school mental health professional. For
15 purposes of this section, the results from an evaluation described
16 in this subsection may be used as a reason for the individual's
17 disqualification for grant funding under this section from a
18 district.

19 (8) A designated recipient that receives funding from a
20 district under this section shall submit any evaluations he or she
21 receives as described in subsection (7) and any evaluations
22 received from the district in which he or she is interning as
23 described in subsection (3) to the district. Upon receiving an
24 evaluation as described in this subsection, the district shall
25 determine whether the designated recipient is still eligible to
26 receive funding from the district under this section or whether the
27 designated recipient is subject to subsection (5) and shall notify
28 the designated recipient of its determination.

29 (9) The department shall submit a report to the house and



1 senate appropriations subcommittees on the department of education,
2 the house and senate fiscal agencies, the governor, and the
3 advisory council described in section 31n concerning the status and
4 outcomes of the grant program described in subsection (1).

5 (10) A designated recipient who receives a payment from a
6 district through a grant under this section is not prohibited from
7 applying for additional payments through that district or another
8 district if he or she meets the qualifications for payments from a
9 district as described in this section.

10 (11) It is the intent of the legislature that the grant
11 funding under this section lead to the provision of paid and
12 educationally meaningful internship practicum in school settings
13 for designated recipients.

14 (12) As used in this section:

15 (a) "Debt or expenses repayment" means debt or expenses
16 connected to a recipient's student loans.

17 (b) "Designated recipient" means an individual who is enrolled
18 in, and in good standing at, as determined by the program, a
19 graduate-level mental health professional program, which includes a
20 department-approved school counselor education or preparation
21 program, school social worker education or preparation program, or
22 school psychology education or preparation program that offers
23 designations, a focus, or special certifications in the provision
24 of school mental health services, and who is working toward
25 obtaining any of the following:

26 (i) A preliminary school psychologist certificate issued by the
27 department under R 380.204 of the Michigan Administrative Code.

28 (ii) A preliminary school psychologist certificate issued by
29 the department under R 380.205 of the Michigan Administrative Code.



1 (iii) A school psychologist certificate issued by the department
2 under R 380.206 of the Michigan Administrative Code.

3 (iv) A school counselor license issued by the department under
4 R 390.1305 of the Michigan Administrative Code.

5 (v) A preliminary school counselor credential issued by the
6 department under R 390.1304 of the Michigan Administrative Code.

7 (vi) A school counseling endorsement issued by the department
8 on his or her teaching certificate.

9 (vii) Temporary or full school social worker approval issued by
10 the department under R 340.1012 of the Michigan Administrative
11 Code.

12 (c) "Extenuating circumstance" means a circumstance determined
13 by the department in consultation with the designated recipient to
14 whom the circumstance applies or who is impacted by the
15 circumstance.

16 (d) "Field supervisor", "field instructor", or "supervisor"
17 means an individual who supervises an eligible designated recipient
18 defined in subsection (3) (a) and to whom the following apply, as
19 applicable:

20 (i) For an individual who is supervising, as described in this
21 subdivision, a designated recipient who is working toward obtaining
22 a preliminary school psychologist certificate described in
23 subdivision (b) (i) or (ii) or a school psychologist certificate
24 described in subdivision (b) (iii), the individual providing
25 supervision maintains a school psychologist certificate described
26 in subdivision (b) (iii) during the supervision.

27 (ii) For an individual who is supervising, as described in this
28 subdivision, a designated recipient who is working toward obtaining
29 temporary or full school social worker approval described in



1 subdivision (b) (vii), the individual providing supervision maintains
2 full school social worker approval described in subdivision (b) (vii)
3 during the supervision.

4 (iii) For an individual who is supervising, as described in this
5 subdivision, a designated recipient who is working toward obtaining
6 a school counselor license as described in subdivision (b) (iv), a
7 preliminary school counselor credential as described in subdivision
8 (b) (v), or a school counselor endorsement issued by the department
9 on his or her teaching certificate as described in subdivision
10 (b) (vi), the individual providing supervision maintains a school
11 counselor license described in subdivision (b) (iv), maintains a
12 school counselor endorsement on his or her teaching certificate as
13 described in subdivision (b) (vi), or is a school counselor educator
14 in a department-approved school counselor preparation program
15 during the supervision.

16 (e) "State university" means a state university described in
17 section 4, 5, or 6 of article VIII of the state constitution of
18 1963.

19 Sec. 31bb. From the state school aid fund money appropriated
20 in section 11, there is allocated for 2022-2023 an amount not to
21 exceed \$100.00 for the Eastern Upper Peninsula Intermediate
22 District Learning Center to support the regional special education
23 facility.

24 Sec. 31cc. From the general fund money appropriated in section
25 11, there is allocated for 2022-2023 an amount not to exceed
26 \$100.00 for the Purple Star Program to be used to support systems
27 for students who have family members in the military and who are
28 moving.

29 Sec. 31dd. From the general fund money appropriated in section



11, there is allocated for 2022-2023 an amount not to exceed \$100.00 for the Roadmaps Program, offered by the University of Michigan and Saginaw Valley State University, to be used to enable the University of Michigan's Center for Digital Curricula and Saginaw Valley State University's College of Education teams to provide title 1, rural and urban, K to 5 public schools with a digital platform for seamless teaching and learning; free, deeply-digital curricula that includes 4 core subjects for grades K to 5; and, at a cost, professional development services.

Sec. 31ee. From the general fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$100.00 for the Kids Kicking Cancer Program.

Sec. 31ff. (1) From the general fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$100.00, in compliance with the criteria in subsection (2), to districts and intermediate districts to utilize the funding for 1 or more of the following:

(a) For districts, the voluntary consolidation or sharing of noninstructional activities with other districts within the same intermediate district or other districts not in the same intermediate district. For intermediate districts, the voluntary sharing of noninstructional activities within and among intermediate districts.

(b) To voluntarily reorganize, including, but not limited to, through voluntary consolidation or annexation.

(2) The department shall, in consultation with the center, Launch Michigan, and the department of technology, management, and budget, create the Michigan Center for Educational Research and Information (MCERI) to establish and manage qualifying criteria



1 **regarding the consolidation or sharing of noninstructional**
 2 **activities described in subsection (1) (a) and reorganizations**
 3 **described in subsection (1) (b) .**

4 Sec. 32d. (1) From the state school aid fund money
 5 appropriated in section 11, there is allocated to eligible
 6 ~~intermediate-school~~ districts and consortia of intermediate
 7 districts for great start readiness programs an amount not to
 8 exceed ~~\$297,120,000.00~~ **\$418,120,000.00** for ~~2021-2022~~. In addition,
 9 ~~from the federal funds allocated in section 11n, there is allocated~~
 10 ~~to eligible intermediate districts and consortia of intermediate~~
 11 ~~districts for great start readiness programs an amount not to~~
 12 ~~exceed \$121,000,000.00 for 2021-2022 from the coronavirus state~~
 13 ~~fiscal recovery funds under the American rescue plan act of 2021,~~
 14 ~~title IX, subtitle M of Public Law 117-2.~~ **2022-2023**. An
 15 ~~intermediate-eligible school~~ district or consortium shall use funds
 16 allocated under this section for great start readiness programs to
 17 provide part-day, school-day, or GSRP/Head Start blended
 18 comprehensive free compensatory classroom programs designed to
 19 improve the readiness and subsequent achievement of educationally
 20 disadvantaged children who meet the participant eligibility and
 21 prioritization guidelines as defined by the department. For a child
 22 to be eligible to participate in a program under this section, the
 23 child must be at least 4, but less than 5, years of age as of
 24 September 1 of the school year in which the program is offered and
 25 must meet those eligibility and prioritization guidelines. A child
 26 who is not 4 years of age as of September 1, but who will be 4
 27 years of age not later than December 1, is eligible to participate
 28 if the child's parent or legal guardian seeks a waiver from the
 29 September 1 eligibility date by submitting a request for enrollment



1 in a program to the responsible ~~intermediate~~**eligible school**
 2 district, if the program has capacity on or after September 1 of
 3 the school year, and if the child meets eligibility and
 4 prioritization guidelines.

5 (2) From the state school aid fund money allocated under
 6 subsection (1), an amount not to exceed ~~\$295,120,000.00~~ and from
 7 ~~the federal funds allocated under subsection (1), an amount not to~~
 8 ~~exceed \$121,000,000.00~~**\$416,120,000.00** is allocated to ~~intermediate~~
 9 ~~districts or consortia of intermediate~~**eligible school** districts
 10 based on the formula in section 39. An ~~intermediate~~**eligible school**
 11 ~~district or consortium of intermediate districts~~ receiving funding
 12 under this section shall act as the fiduciary for the great start
 13 readiness programs. An intermediate district or consortium of
 14 intermediate districts receiving funding under this section may
 15 collaborate with local governments to identify children eligible
 16 for programs funded under this section and may contract with local
 17 governments to provide services. In order to be eligible to receive
 18 funds allocated under this subsection from an ~~intermediate~~**eligible**
 19 **school** district, ~~or consortium of intermediate districts, a~~
 20 district, a consortium of districts, a local government, or a
 21 public or private for-profit or nonprofit legal entity or agency
 22 must comply with this section and section 39. The funds allocated
 23 under this subsection for ~~2021-2022~~**2022-2023** are a work project
 24 appropriation, and any unexpended funds for ~~2021-2022~~**2022-2023** are
 25 carried forward into ~~2022-2023~~**2023-2024**. The purpose of the work
 26 project is to continue to improve access to preschool programming
 27 for economically disadvantaged children. The estimated completion
 28 date of the work project described in the immediately preceding
 29 sentence is September 30, ~~2023~~**2024**.



1 (3) In addition to the allocation under subsection (1), from
2 the general fund money appropriated under section 11, there is
3 allocated an amount not to exceed \$350,000.00 for ~~2021-2022-2022-~~
4 **2023** for a competitive grant to continue a longitudinal evaluation
5 of children who have participated in great start readiness
6 programs.

7 (4) To be eligible for funding under this section, a program
8 must prepare children for success in school through comprehensive
9 part-day, school-day, or GSRP/Head Start blended programs that
10 contain all of the following program components, as determined by
11 the department:

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

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

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

22 (d) Physical and dental health and developmental screening
23 services for all program participants.

24 (e) Referral services for families of program participants to
25 community social service agencies, including mental health
26 services, as appropriate.

27 (f) Active and continuous involvement of the parents or
28 guardians of the program participants.

29 (g) A plan to conduct and report annual great start readiness



1 program evaluations and continuous improvement plans using criteria
2 approved by the department.

3 (h) Participation in a school readiness advisory committee
4 convened as a workgroup of the great start collaborative that
5 provides for the involvement of classroom teachers, parents or
6 guardians of program participants, and community, volunteer, and
7 social service agencies and organizations, as appropriate. The
8 advisory committee annually shall review and make recommendations
9 regarding the program components listed in this subsection. The
10 advisory committee also shall make recommendations to the great
11 start collaborative regarding other community services designed to
12 improve all children's school readiness.

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

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

17 (5) An application for funding under this section must provide
18 for the following, in a form and manner determined by the
19 department:

20 (a) Ensure compliance with all program components described in
21 subsection (4).

22 (b) Except as otherwise provided in this subdivision, ensure
23 that at least 85% of the children participating in an eligible
24 great start readiness program for whom the ~~intermediate-eligible~~
25 **school** district is receiving funds under this section are children
26 who live with families with a household income that is equal to or
27 less than 250% of the federal poverty guidelines. If the
28 ~~intermediate-eligible school~~ district determines that all eligible
29 children are being served and that there are no children on the



1 waiting list who live with families with a household income that is
2 equal to or less than 250% of the federal poverty guidelines, the
3 intermediate district may then enroll children who live with
4 families with a household income that is equal to or less than 300%
5 of the federal poverty guidelines. The enrollment process must
6 consider income and risk factors, such that children determined
7 with higher need are enrolled before children with lesser need. For
8 purposes of this subdivision, all age-eligible children served in
9 foster care or who are experiencing homelessness or who have
10 individualized education programs recommending placement in an
11 inclusive preschool setting are considered to live with families
12 with household income equal to or less than 250% of the federal
13 poverty guidelines regardless of actual family income and are
14 prioritized for enrollment within the lowest quintile.

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

17 (i) Teachers possessing proper training. A lead teacher must
18 have a valid Michigan teaching certificate with an early childhood
19 or lower elementary endorsement or a bachelor's or higher degree in
20 child development or early childhood education with specialization
21 in preschool teaching. However, if an applicant demonstrates to the
22 department that it is unable to fully comply with this subparagraph
23 after making reasonable efforts to comply, teachers or
24 paraprofessionals with at least 5 years of experience as a
25 paraprofessional in a great start readiness program classroom who
26 have significant but incomplete training in early childhood
27 education or child development may be used if the applicant
28 provides to the department, and the department approves, a plan for
29 each teacher to come into compliance with the standards in this



1 subparagraph. A teacher's compliance plan must be completed within
2 3 years of the date of employment. Progress toward completion of
3 the compliance plan consists of at least 2 courses per calendar
4 year.

5 (ii) Paraprofessionals possessing proper training in early
6 childhood education, including an associate degree in early
7 childhood education or child development or the equivalent, or a
8 child development associate (CDA) credential. However, if an
9 applicant demonstrates to the department that it is unable to fully
10 comply with this subparagraph after making reasonable efforts to
11 comply, the applicant may use paraprofessionals who have completed
12 at least 1 course that earns college credit in early childhood
13 education or child development if the applicant provides to the
14 department, and the department approves, a plan for each
15 paraprofessional to come into compliance with the standards in this
16 subparagraph. A paraprofessional's compliance plan must be
17 completed within 3 years of the date of employment. Progress toward
18 completion of the compliance plan consists of at least 2 courses or
19 60 clock hours of training per calendar year.

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



1 the capacity to serve those children.

2 (6) For a grant recipient that enrolls pupils in a school-day
3 program funded under this section, each child enrolled in the
4 school-day program is counted as described in section 39 for
5 purposes of determining the amount of the grant award.

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

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

17 (9) An ~~intermediate-eligible school~~ district ~~or consortium of~~
18 ~~intermediate districts~~ may retain for administrative services
19 provided by the ~~intermediate-eligible school~~ district ~~or consortium~~
20 ~~of intermediate districts~~ an amount not to exceed 4% of the grant
21 amount. Expenses incurred by subrecipients engaged by the
22 ~~intermediate-eligible school~~ district ~~or consortium of intermediate~~
23 ~~districts~~ for directly running portions of the program are
24 considered program costs or a contracted program fee for service.
25 Subrecipients operating with a federally approved indirect rate for
26 other early childhood programs may include indirect costs, not to
27 exceed the federal 10% de minimis.

28 (10) An ~~intermediate-eligible school~~ district ~~or consortium of~~
29 ~~intermediate districts~~ may expend not more than 2% of the total



1 grant amount for outreach, recruiting, and public awareness of the
2 program.

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

28 (12) An ~~intermediate~~ **eligible school** district ~~or consortium of~~
29 ~~intermediate districts~~ receiving a grant under this section shall



1 allow parents of eligible children who are residents of the
 2 ~~intermediate-eligible school~~ district ~~or within the consortium~~ to
 3 choose a program operated by or contracted with another
 4 ~~intermediate-eligible school~~ district ~~or consortium of intermediate~~
 5 ~~districts~~ and shall enter into a written agreement regarding
 6 payment, in a manner prescribed by the department.

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



1 allocation and was not able to do so, then the ~~intermediate~~
2 **eligible school** district ~~or consortium~~ may retain and use all of
3 its allocation as provided under this section. To be able to use
4 this exemption, the ~~intermediate-eligible school~~ district ~~or~~
5 ~~consortium~~ shall demonstrate to the department that the
6 ~~intermediate-eligible school~~ district ~~or consortium~~ increased the
7 percentage of its total allocation for which it contracts with a
8 community-based provider and the ~~intermediate-eligible school~~
9 district ~~or consortium~~ shall submit evidence satisfactory to the
10 department, and the department must be able to verify this
11 evidence, demonstrating that the ~~intermediate-eligible school~~
12 district ~~or consortium~~ took measures to contract for at least 30%
13 of its total allocation as required under this subsection,
14 including, but not limited to, at least all of the following
15 measures:

16 (a) The ~~intermediate-eligible school~~ district ~~or consortium~~
17 notified each nonparticipating licensed child care center located
18 in the service area of the ~~intermediate-eligible school~~ district ~~or~~
19 ~~consortium~~ regarding the center's eligibility to participate, in a
20 manner prescribed by the department.

21 (b) The ~~intermediate-eligible school~~ district ~~or consortium~~
22 provided to each nonparticipating licensed child care center
23 located in the service area of the ~~intermediate-eligible school~~
24 district ~~or consortium~~ information regarding great start readiness
25 program requirements and a description of the application and
26 selection process for community-based providers.

27 (c) The ~~intermediate-eligible school~~ district ~~or consortium~~
28 provided to the public and to participating families a list of
29 community-based great start readiness program subrecipients with a



1 great start to quality rating of at least 3 stars.

2 (14) If an ~~intermediate-eligible school~~ district ~~or consortium~~
3 of intermediate districts receiving a grant under this section
4 fails to submit satisfactory evidence to demonstrate its effort to
5 contract for at least 30% of its total allocation, as required
6 under subsection (13), the department shall reduce the allocation
7 to the ~~intermediate-eligible school~~ district ~~or consortium~~ by a
8 percentage equal to the difference between the percentage of an
9 ~~intermediate-eligible school~~ district's ~~or consortium's~~ total
10 allocation awarded to community-based providers and 30% of its
11 total allocation.

12 (15) In order to assist ~~intermediate-eligible school~~ districts
13 ~~and consortia~~ in complying with the requirement to contract with
14 community-based providers for at least 30% of their total
15 allocation, the department shall do all of the following:

16 (a) Ensure that a great start resource center or the
17 department provides each ~~intermediate-eligible school~~ district ~~or~~
18 ~~consortium~~ receiving a grant under this section with the contact
19 information for each licensed child care center located in the
20 service area of the ~~intermediate-eligible school~~ district ~~or~~
21 ~~consortium~~ by March 1 of each year.

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

26 (c) Ensure that all intermediate district, district, community
27 college or university, Head Start grantee or delegate, private for-
28 profit, and private nonprofit providers are subject to a single
29 great start to quality rating system. The rating system must ensure



1 that regulators process all prospective providers at the same pace
 2 on a first-come, first-served basis and must not allow 1 type of
 3 provider to receive a great start to quality rating ahead of any
 4 other type of provider.

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

15 (16) A recipient of funds under this section shall report to
 16 the center in a form and manner prescribed by the center the
 17 information necessary to derive the number of children
 18 participating in the program who meet the program eligibility
 19 criteria under subsection (5)(b), the number of eligible children
 20 not participating in the program and on a waitlist, and the total
 21 number of children participating in the program by various
 22 demographic groups and eligibility factors necessary to analyze
 23 equitable and priority access to services for the purposes of
 24 subsection (3).

25 (17) As used in this section:

26 (a) **"Eligible school district" means an intermediate district,**
 27 **a consortium of intermediate districts, or an office of early**
 28 **learning for a city with more than 600,000 residents.**

29 (b) ~~(a)~~ "GSRP/Head Start blended program" means a part-day



1 program funded under this section and a Head Start program, which
 2 are combined for a school-day program.

3 (c) ~~(b)~~—"Federal poverty guidelines" means the guidelines
 4 published annually in the Federal Register by the United States
 5 Department of Health and Human Services under its authority to
 6 revise the poverty line under 42 USC 9902.

7 (d) ~~(e)~~—"Part-day program" means a program that operates at
 8 least 4 days per week, 30 weeks per year, for at least 3 hours of
 9 teacher-child contact time per day but for fewer hours of teacher-
 10 child contact time per day than a school-day program.

11 (e) ~~(d)~~—"School-day program" means a program that operates for
 12 at least the same length of day as a district's first grade program
 13 for a minimum of 4 days per week, 30 weeks per year. A classroom
 14 that offers a school-day program must enroll all children for the
 15 school day to be considered a school-day program.

16 (18) An ~~intermediate~~ **eligible school** district ~~or consortium of~~
 17 ~~intermediate districts~~ receiving funds under this section shall
 18 establish and charge tuition according to a sliding scale of
 19 tuition rates based upon household income for children
 20 participating in an eligible great start readiness program who live
 21 with families with a household income that is more than 250% of the
 22 federal poverty guidelines to be used by all of its providers, as
 23 approved by the department.

24 (19) From the amount allocated in subsection (2), there is
 25 allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed
 26 \$10,000,000.00 for reimbursement of transportation costs for
 27 children attending great start readiness programs funded under this
 28 section. To receive reimbursement under this subsection, not later
 29 than November 1 of each year, a program funded under this section



that provides transportation shall submit to the ~~intermediate~~
eligible school district that is the fiscal agent for the program a
 projected transportation budget. The amount of the reimbursement
 for transportation under this subsection is no more than the
 projected transportation budget or \$300.00 multiplied by the number
 of children funded for the program under this section. If the
 amount allocated under this subsection is insufficient to fully
 reimburse the transportation costs for all programs that provide
 transportation and submit the required information, the department
 shall prorate the reimbursement in an equal amount per child
 funded. The department shall make payments to the ~~intermediate~~
eligible school district that is the fiscal agent for each program,
 and the ~~intermediate-eligible school~~ district shall then reimburse
 the program provider for transportation costs as prescribed under
 this subsection.

(20) Subject to, and from the funds allocated under,
 subsection (19), the department shall reimburse a program for
 transportation costs related to parent- or guardian-accompanied
 transportation provided by transportation service companies, buses,
 or other public transportation services. To be eligible for
 reimbursement under this subsection, a program must submit to the
~~intermediate-eligible school~~ district ~~or consortia of intermediate~~
~~districts~~ all of the following:

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

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



1 (c) Any other documentation or information determined
2 necessary by the department.

3 (21) The department shall implement a process to review and
4 approve age-appropriate comprehensive classroom level quality
5 assessments for GSRP grantees that support the early childhood
6 standards of quality for prekindergarten children adopted by the
7 state board. The department shall make available to intermediate
8 districts at least 2 classroom level quality assessments that were
9 approved in 2018.

10 (22) An ~~intermediate~~**eligible school** district that is a GSRP
11 grantee may approve the use of a supplemental curriculum that
12 aligns with and enhances the age-appropriate educational curriculum
13 in the classroom. If the department objects to the use of a
14 supplemental curriculum approved by an ~~intermediate~~**eligible school**
15 district, the superintendent shall establish a review committee
16 independent of the department. The review committee shall meet
17 within 60 days of the department registering its objection in
18 writing and provide a final determination on the validity of the
19 objection within 60 days of the review committee's first meeting.

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

24 (24) From the funds allocated under subsection (1), there is
25 allocated for ~~2021-2022~~**2022-2023** an amount not to exceed
26 \$2,000,000.00 for payments to ~~intermediate~~**eligible school**
27 districts ~~or consortia of intermediate districts~~ for professional
28 development and training materials for educators in programs
29 implementing new curricula or child assessment tools approved for



1 use in the great start readiness program.

2 (25) A great start readiness program or a GSRP/Head Start
3 blended program funded under this section is permitted to utilize
4 AmeriCorps Pre-K Reading Corps members in classrooms implementing
5 research-based early literacy intervention strategies.

6 Sec. 32p. (1) From the state school aid fund money
7 appropriated in section 11, there is allocated an amount not to
8 exceed \$13,400,000.00 to intermediate districts for ~~2021-2022-2022-~~
9 **2023** for the purpose of providing early childhood funding to
10 intermediate districts to support the goals and outcomes under
11 subsection (2) and subsection (4), and to provide early childhood
12 programs for children from birth through age 8. The funding
13 provided to each intermediate district under this section is
14 determined by the distribution formula established by the
15 department's office of great start to provide equitable funding
16 statewide. In order to receive funding under this section, each
17 intermediate district must provide an application to the office of
18 great start not later than September 15 of the immediately
19 preceding fiscal year indicating the strategies planned to be
20 provided.

21 (2) Each intermediate district or consortium of intermediate
22 districts that receives funding under this section shall convene a
23 local great start collaborative and a parent coalition that
24 includes an active partnership with at least 1 community-based
25 organization. The goal of each great start collaborative and parent
26 coalition is to ensure the coordination and expansion of local
27 early childhood ~~infrastructure~~ **systems** and programs, ~~that to~~
28 **increase the number of eligible children that are enrolled from**
29 **birth to age 8 in publicly funded programs and services through**



1 **joint recruitment and enrollment systems, and to** allow every child
2 in the community to achieve the following outcomes:

3 (a) Children born healthy.

4 (b) Children healthy, thriving, and developmentally on track
5 from birth to grade 3.

6 (c) Children developmentally ready to succeed in school at the
7 time of school entry.

8 (d) Children prepared to succeed in fourth grade and beyond by
9 reading proficiently by the end of third grade.

10 (3) Each local great start collaborative and parent coalition
11 shall convene workgroups to make recommendations about community
12 services designed to achieve the outcomes described in subsection
13 (2) and to ensure that its local great start system includes the
14 following supports for children from birth through age 8:

15 (a) Physical health.

16 (b) Social-emotional health.

17 (c) Family supports, ~~and including~~ basic needs **and economic**
18 **self-sufficiency.**

19 (d) Parent ~~education~~ **leadership and family engagement.**

20 (e) Early education, including the child's development of
21 skills linked to success in foundational literacy, and care.

22 (4) From the funds allocated in subsection (1), at least
23 \$2,500,000.00 must be used for the purpose of providing home visits
24 to at-risk children and their families. The home visits must be
25 conducted as part of a locally coordinated, family-centered,
26 evidence-based, data-driven home visit strategic plan that is
27 approved by the department. The goals of the home visits funded
28 under this subsection are to improve school readiness using
29 evidence-based methods, including a focus on developmentally



1 appropriate outcomes for early literacy, to improve positive
2 parenting practices, and to improve family economic self-
3 sufficiency while reducing the impact of high-risk factors through
4 community resources and referrals. The department shall coordinate
5 the goals of the home visit strategic plans approved under this
6 subsection with other state agency home visit programs in a way
7 that strengthens Michigan's home visiting infrastructure and
8 maximizes federal funds available for the purposes of at-risk
9 family home visits. The coordination among departments and agencies
10 is intended to avoid duplication of state services and spending,
11 and should emphasize efficient service delivery of home visiting
12 programs.

13 (5) Not later than December 1 of each year, each intermediate
14 district shall provide a report to the department detailing the
15 strategies actually implemented during the immediately preceding
16 school year and the families and children actually served. At a
17 minimum, the report must include an evaluation of the services
18 provided with additional funding under subsection (4) for home
19 visits, using the goals identified in subsection (4) as the basis
20 for the evaluation, including the degree to which school readiness
21 was improved, the degree to which positive parenting practices were
22 improved, the degree to which there was improved family economic
23 self-sufficiency, and the degree to which community resources and
24 referrals were utilized. The department shall compile and summarize
25 these reports and submit its summary to the house and senate
26 appropriations subcommittees on school aid and to the house and
27 senate fiscal agencies not later than February 15 of each year.

28 (6) An intermediate district or consortium of intermediate
29 districts that receives funding under this section may carry over



any unexpended funds received under this section into the next fiscal year and may expend those unused funds through June 30 of the next fiscal year. However, an intermediate district or consortium of intermediate districts that receives funding for the purposes described in subsection (2) in fiscal year ~~2021-2022-2022-~~ **2023** shall not carry over into the next fiscal year any amount exceeding ~~20%-15%~~ of the amount awarded to the intermediate district or consortium in the ~~2021-2022-~~ **2022-2023** fiscal year. ~~It is intended that the amount carried over from funding awarded for the purposes described in subsection (2) in fiscal year 2022-2023 not exceed 15% of the amount awarded in that fiscal year. A~~ recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 of the next fiscal year after the fiscal year in which the funds are received.

Sec. 32t. From the general fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$100.00 for the Strong Beginnings Program to provide services to children who meet the eligibility criteria for the great start readiness program, but do not meet the age eligibility criteria for the great start readiness program. These services must be designed for children who are age 3 and must be similar to the services provided through the great start readiness program. The program described in this section must be administered by CCRESA Strong Beginnings Implementation Team under the direction of the department, office of great start, with assessment, data, and collection analysis for the program being provided by Michigan State University.

Sec. 32u. (1) From the general fund money appropriated in



1 section 11, there is allocated for 2022-2023 an amount not to
 2 exceed \$2,000,000.00 to districts and intermediate districts as
 3 provided in this section.

4 (2) To receive funding under this section, a district or
 5 intermediate district must apply for the funding in a form and
 6 manner prescribed by the department.

7 (3) A district or intermediate district that receives funding
 8 under this section shall use the funding to provide, in
 9 collaboration with BookNook, pupils enrolled in the district or
 10 intermediate district with a program that meets all of the
 11 following:

12 (a) Allows students to use patented technology to reach and
 13 learn together.

14 (b) Provides for scaffolded-learning supports that empower
 15 teachers and support staff.

16 (c) Exposes pupils to diverse texts, dynamic games, and
 17 meaningful discussion with each lesson.

18 (d) Includes a large tutor network that expands reach to
 19 pupils.

20 (4) Notwithstanding section 17b, the department shall make
 21 payments under this section on a schedule determined by the
 22 department.

23 Sec. 35a. (1) From the appropriations in section 11, there is
 24 allocated for ~~2021-2022-2022-2023~~ for the purposes of this section
 25 an amount not to exceed ~~\$61,400,000.00~~ **\$67,400,000.00** from the
 26 state school aid fund and there is allocated for ~~2021-2022-2022-~~
 27 **2023** for the purposes of subsection (8) an amount not to exceed
 28 ~~\$3,500,000.00~~ **\$5,000,000.00** from the general fund. Excluding staff
 29 or contracted employees funded under subsection (8), the



1 superintendent shall designate staff or contracted employees funded
2 under this section as critical shortage. Programs funded under this
3 section are intended to ensure that this state will be a top 10
4 state in grade 4 reading proficiency by 2025 according to the
5 National Assessment of Educational Progress (NAEP). By December 31,
6 ~~2021~~, **2022**, the superintendent of public instruction shall do both
7 of the following:

8 (a) Report in person to the house and senate appropriations
9 subcommittees on school aid regarding progress on the goal
10 described in this subsection and be available for questioning as
11 prescribed through a process developed by the chairs of the house
12 and senate appropriations subcommittees on school aid.

13 (b) Submit a written report to the house and senate
14 appropriations subcommittees on school aid regarding progress on
15 the goal described in this subsection.

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

25 (3) A district that receives funds under subsection (5) may
26 use up to 5% of those funds to administer department-approved
27 screening and diagnostic tools to monitor the development of early
28 literacy and early reading skills, and risk factors for word-level
29 reading difficulties of pupils in grades pre-K to 3 and to support



evidence-based professional learning described in subsection (11) for educators in administering and using screening, progress monitoring, and diagnostic assessment data to inform instruction through prevention and intervention in a multi-tiered system of supports framework. A department-approved screening and diagnostic tool administered by a district using funding under this section must include all of the following components: phonemic awareness, phonics, fluency, rapid automatized naming (RAN), and comprehension. Further, all of the following sub-skills must be assessed within each of these components:

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

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

(c) Fluency.

(d) Comprehension - making meaning of text.

(4) From the allocation under subsection (1), there is allocated an amount not to exceed \$31,500,000.00 for ~~2021-2022~~ **2022-2023** for the purpose of providing early literacy coaches at intermediate districts to assist teachers in developing and implementing instructional strategies for pupils in grades pre-K to 3 so that pupils are reading at grade level by the end of grade 3. All of the following apply to funding under this subsection:

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

(i) Current state literacy standards for pupils in grades pre-K to 3.

(ii) Implementing an instructional delivery model based on



1 frequent use of formative, screening, and diagnostic tools, known
2 as a multi-tiered system of supports, to determine individual
3 progress for pupils in grades pre-K to 3 so that pupils are reading
4 at grade level by the end of grade 3.

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

9 (b) From the allocation under this subsection, the department
10 shall award grants to intermediate districts for the support of
11 early literacy coaches. The department shall provide this funding
12 in the following manner:

13 (i) The department shall award each intermediate district grant
14 funding to support the cost of 1 early literacy coach in an equal
15 amount per early literacy coach, not to exceed \$112,500.00.

16 (ii) After distribution of the grant funding under subparagraph
17 (i), the department shall distribute the remainder of grant funding
18 for additional early literacy coaches in an amount not to exceed
19 \$112,500.00 per early literacy coach. The number of funded early
20 literacy coaches for each intermediate district is based on the
21 percentage of the total statewide number of pupils in grades K to 3
22 who meet the income eligibility standards for the federal free and
23 reduced-price lunch programs who are enrolled in districts in the
24 intermediate district.

25 (c) If an intermediate district that receives funding under
26 this subsection uses an assessment tool that screens for
27 characteristics of dyslexia, the intermediate district shall use
28 the assessment results from that assessment tool to identify pupils
29 who demonstrate characteristics of dyslexia.



(5) From the allocation under subsection (1), there is allocated an amount not to exceed \$19,900,000.00 for ~~2021-2022~~ **2022-2023** to districts that provide additional instructional time to those pupils in grades pre-K to 3 who have been identified by using department-approved screening and diagnostic tools as needing additional supports and interventions in order to be reading at grade level by the end of grade 3. Additional instructional time may be provided before, during, and after regular school hours or as part of a year-round balanced school calendar. All of the following apply to funding under this subsection:

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

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

(A) Team-based leadership.

(B) A tiered delivery system.

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

(D) A comprehensive screening and assessment system.

(E) Continuous data-based decision making.

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



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

5 (iv) Provided teachers of pupils in grades pre-K to 3 with
6 research-based professional development in diagnostic data
7 interpretation.

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

10 (b) The department shall distribute funding allocated under
11 this subsection to eligible districts on an equal per-first-grade-
12 pupil basis.

13 (c) If the funds allocated under this subsection are
14 insufficient to fully fund the payments under this subsection,
15 payments under this subsection are prorated on an equal per-pupil
16 basis based on grade 1 pupils.

17 (6) Not later than September 1 of each year, a district that
18 receives funding under subsection (5) in conjunction with the
19 Michigan student data system, if possible, shall provide to the
20 department a report that includes at least both of the following,
21 in a form and manner prescribed by the department:

22 (a) For pupils in grades pre-K to 3, the teachers, pupils,
23 schools, and grades served with funds under this section and the
24 categories of services provided.

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

28 (i) School.

29 (ii) Grade level.



1 (iii) Gender.

2 (iv) Race.

3 (v) Ethnicity.

4 (vi) Economically disadvantaged status.

5 (vii) Disability.

6 (viii) Pupils identified as having reading deficiencies.

7 (7) From the allocation under subsection (1), there is
8 allocated an amount not to exceed \$6,000,000.00 for ~~2021-2022~~**2022-**
9 **2023** to an intermediate district in which the combined total number
10 of pupils in membership of all of its constituent districts is the
11 fewest among all intermediate districts. All of the following apply
12 to the funding under this subsection:

13 (a) Funding under this subsection must be used by the
14 intermediate district, in partnership with an association that
15 represents intermediate district administrators in this state, to
16 implement all of the following:

17 (i) Literacy essentials teacher and principal training modules.

18 (ii) Face-to-face and online professional learning of literacy
19 essentials teacher and principal training modules for literacy
20 coaches, principals, and teachers.

21 (iii) The placement of regional lead literacy coaches to
22 facilitate professional learning for early literacy coaches. These
23 regional lead literacy coaches shall provide support for new
24 literacy coaches, building teachers, and administrators and shall
25 facilitate regional data collection to evaluate the effectiveness
26 of statewide literacy coaches funded under this section.

27 (iv) Provide \$500,000.00 from this subsection for literacy
28 training, modeling, coaching, and feedback for district principals
29 or chief administrators, as applicable. The training described in



1 this subparagraph must use the pre-K and K to 3 essential
2 instructional practices in literacy created by the general
3 education leadership network as the framework for all training
4 provided under this subparagraph.

5 (v) Job-embedded professional learning opportunities for
6 mathematics teachers through mathematics instructional coaching.
7 Funding must be used for professional learning for coaches,
8 professional developers, administrators, and teachers; coaching for
9 early mathematics educators; the development of statewide and
10 regional professional learning networks in mathematics
11 instructions; and the development and support of digital
12 professional learning modules.

13 (b) Not later than September 1 of each year, the intermediate
14 district described in this subsection, in consultation with grant
15 recipients, shall submit a report to the chairs of the senate and
16 house appropriations subcommittees on school aid, the chairs of the
17 senate and house standing committees responsible for education
18 legislation, the house and senate fiscal agencies, and the state
19 budget director. The report described under this subdivision must
20 include student achievement results in English language arts and
21 mathematics and survey results with feedback from parents and
22 teachers regarding the initiatives implemented under this
23 subsection.

24 (c) Up to 2% of funds allocated under this subsection may be
25 used by the association representing intermediate district
26 administrators that is in partnership with the intermediate
27 district specified in this subsection to administer this
28 subsection.

29 (8) From the general fund money allocated in subsection (1),



1 the department shall allocate the amount of ~~\$3,500,000.00~~
2 **\$5,000,000.00** for ~~2021-2022-2022-2023~~ to the Michigan Education
3 Corps for the PreK Reading Corps, the K3 Reading Corps, and the
4 Math Corps. All of the following apply to funding under this
5 subsection:

6 (a) By September 1 of the current fiscal year, the Michigan
7 Education Corps shall provide a report concerning its use of the
8 funding to the senate and house appropriations subcommittees on
9 ~~state~~-school aid, the senate and house fiscal agencies, and the
10 senate and house caucus policy offices on outcomes and performance
11 measures of the Michigan Education Corps, including, but not
12 limited to, the degree to which the Michigan Education Corps'
13 replication of the PreK Reading Corps, the K3 Reading Corps, and
14 the Math Corps programs is demonstrating sufficient efficacy and
15 impact. The report must include data pertaining to at least all of
16 the following:

17 (i) The current impact of the programs on this state in terms
18 of numbers of children and schools receiving support. This portion
19 of the report must specify the number of children tutored,
20 including dosage and completion, and the demographics of those
21 children.

22 (ii) Whether the assessments and interventions are implemented
23 with fidelity. This portion of the report must include details on
24 the total number of assessments and interventions completed and the
25 range, mean, and standard deviation.

26 (iii) Whether the literacy or math improvement of children
27 participating in the programs is consistent with expectations. This
28 portion of the report must detail at least all of the following:

29 (A) Growth rate by grade or age level, in comparison to



1 targeted growth rate.

2 (B) Average linear growth rates.

3 (C) Exit rates.

4 (D) Percentage of children who exit who also meet or exceed
5 spring benchmarks.

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

9 (b) If the department determines that the Michigan Education
10 Corps has misused the funds allocated under this subsection, the
11 Michigan Education Corps shall reimburse this state for the amount
12 of state funding misused.

13 (c) The department may not reserve any portion of the
14 allocation provided under this subsection for an evaluation of the
15 Michigan Education Corps, the Michigan Education Corps' funding, or
16 the Michigan Education Corps' programming unless agreed to in
17 writing by the Michigan Education Corps. The department shall award
18 the entire ~~\$3,500,000.00~~ **\$5,000,000.00** allocated under this
19 subsection to the Michigan Education Corps and shall not condition
20 the awarding of this funding on the implementation of an
21 independent evaluation.

22 (9) If a district or intermediate district expends any funding
23 received under subsection (4) or (5) for professional development
24 in research-based effective reading instruction, the district or
25 intermediate district shall select a professional development
26 program from the list described under subdivision (a). All of the
27 following apply to the requirement under this subsection:

28 (a) The department shall issue a request for proposals for
29 professional development programs in research-based effective



1 reading instruction to develop an initial approved list of
 2 professional development programs in research-based effective
 3 reading instruction. The department shall make the initial approved
 4 list public and shall determine if it will, on a rolling basis,
 5 approve any new proposals submitted for addition to its initial
 6 approved list.

7 (b) To be included as an approved professional development
 8 program in research-based effective reading instruction under
 9 subdivision (a), an applicant must demonstrate to the department in
 10 writing the program's competency in all of the following topics:

11 (i) Understanding of phonemic awareness, phonics, fluency,
 12 vocabulary, and comprehension.

13 (ii) Appropriate use of assessments and differentiated
 14 instruction.

15 (iii) Selection of appropriate instructional materials.

16 (iv) Application of research-based instructional practices.

17 (c) As used in this subsection, "effective reading
 18 instruction" means reading instruction scientifically proven to
 19 result in improvement in pupil reading skills.

20 (10) From the allocation under subsection (1), there is
 21 allocated an amount not to exceed ~~\$4,000,000.00~~ **\$10,000,000.00** for
 22 ~~2021-2022-2022-2023~~ for **the provision of** professional learning by
 23 **the approved provider** described in subsection (11), first to
 24 educators in pre-K, kindergarten, and grade 1; ~~and then next~~ to
 25 educators in grade 2 and grade 3; ~~. All of the following apply to~~
 26 ~~funding under this subsection:~~

27 ~~(a) The~~ **and then to additional elementary school educators and**
 28 **pre-K to grade 12 certificated special education personnel with**
 29 **endorsements in learning disabilities, emotional impairments, or**



1 **speech and language impairments. For purposes of this subsection,**
 2 **the** department must establish and manage professional learning
 3 opportunities that are open to all ~~pre-K through grade 3 teachers~~
 4 **school personnel described in this subsection** as follows:

5 (a) ~~(i)~~ The department must **first** open voluntary enrollment for
 6 any pre-K through grade 3 teacher on a first-come, first-served
 7 basis, with voluntary enrollment prioritized for pre-K,
 8 kindergarten, and grade 1 teachers. **The department shall then open**
 9 **voluntary enrollment for the remaining school personnel described**
 10 **in this subsection.**

11 (b) ~~(ii)~~ The department must maintain open enrollment until all
 12 funds are expended.

13 ~~(b) The department shall distribute funding allocated under~~
 14 ~~this subsection to eligible districts on an equal per first-grade-~~
 15 ~~pupil 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 are prorated on an equal per pupil~~
 19 ~~basis based on grade 1 pupils.~~

20 (11) ~~The~~ **For the provision of professional learning to the**
 21 **school personnel described in subsection (10), the** department shall
 22 ~~provide a list of 1 or more approved providers of professional~~
 23 ~~learning outlined in this subsection for pre-K to grade 3 teachers,~~
 24 ~~administrators, and early literacy coaches. In order to be~~
 25 ~~approved, a provider of professional learning must~~ **approve LETRS as**
 26 **the approved provider of professional learning, if LETRS continues**
 27 **to meet all of the following:**

28 (a) Be offered through a system of training that provides
 29 educators with the knowledge base to effectively implement any



1 class-wide, supplemental, or intervention reading approach and to
2 determine why some students struggle with reading, writing,
3 spelling, and language.

4 (b) Provide training activities that direct educators to
5 implement effective reading and spelling instruction supported by
6 scientifically based research and foster a direct explicit
7 instructional sequence that uses techniques to support teachers'
8 independence in using their newly-learned skills with students in
9 the classroom.

10 (c) Include integrated components for educators and
11 administrators in pre-K to grade 3 with embedded evaluation or
12 assessment of knowledge. Evaluation or assessment of knowledge
13 under this subdivision must incorporate evaluations of learning
14 throughout each unit and include a summative assessment that must
15 be completed to demonstrate successful course completion.

16 (d) Build teacher content knowledge and pedagogical knowledge
17 of the critical components of literacy including how the brain
18 learns to read, phonological and phonemic awareness; letter
19 knowledge; phonics; advanced phonics; vocabulary and oral language;
20 fluency; comprehension; spelling and writing; and the organization
21 of language.

22 (e) Support educators in understanding how to effectively use
23 screening, progress monitoring, and diagnostic assessment data to
24 improve literacy outcomes through prevention and intervention for
25 reading difficulties in a multi-tiered system of supports. The
26 multi-tiered system of supports must include at least all of the
27 following essential components:

28 (i) Team-based leadership.

29 (ii) A tiered delivery system.



1 (iii) Selection and implementation of instruction,
2 interventions, and supports.

3 (iv) A comprehensive screening and assessment system.

4 (v) Continuous data-based decision making.

5 (12) Notwithstanding section 17b, the department shall make
6 payments made under subsections (7) and (8) on a schedule
7 determined by the department.

8 (13) As used in this section:

9 (a) "Dyslexia" means both of the following:

10 (i) A specific learning disorder that is neurobiological in
11 origin and characterized by difficulties with accurate or fluent
12 word recognition and by poor spelling and decoding abilities that
13 typically result from a deficit in the phonological component of
14 language that is often unexpected in relation to other cognitive
15 abilities and the provision of effective classroom instruction.

16 (ii) A specific learning disorder that may include secondary
17 consequences, such as problems in reading comprehension and a
18 reduced reading experience that can impede the growth of vocabulary
19 and background knowledge and lead to social, emotional, and
20 behavioral difficulties.

21 (b) "Evidence-based" means an activity, program, process,
22 service, strategy, or intervention that demonstrates statistically
23 significant effects on improving pupil outcomes or other relevant
24 outcomes and that meets at least both of the following:

25 (i) At least 1 of the following:

26 (A) Is based on strong evidence from at least 1 well-designed
27 and well-implemented experimental study.

28 (B) Is based on moderate evidence from at least 1 well-
29 designed and well-implemented quasi-experimental study.



1 (C) Is based on promising evidence from at least 1 well-
2 designed and well-implemented correlational study with statistical
3 controls for selection bias.

4 (D) Demonstrates a rationale based on high-quality research
5 findings or positive evaluation that the activity, program,
6 process, service, strategy, or intervention is likely to improve
7 pupil outcomes or other relevant outcomes.

8 (ii) Includes ongoing efforts to examine the effects of the
9 activity, program, process, service, strategy, or intervention.

10 (c) "Explicit" means direct and deliberate instruction through
11 continuous pupil-teacher interaction that includes teacher
12 modeling, guided practice, and independent practice.

13 (d) "Fluency" means the ability to read with speed, accuracy,
14 and proper expression.

15 (e) "Multi-tiered system of supports" means a comprehensive
16 framework that includes 3 distinct tiers of instructional support
17 and is composed of a collection of evidence-based strategies
18 designed to meet the individual needs and assets of a whole pupil
19 at all achievement levels.

20 (f) "Phonemic awareness" means the conscious awareness of all
21 of the following:

22 (i) Individual speech sounds, including, but not limited to,
23 consonants and vowels, in spoken syllables.

24 (ii) The ability to consciously manipulate through, including,
25 but not limited to, matching, blending, segmenting, deleting, or
26 substituting, individual speech sounds described in subparagraph
27 (i) .

28 (iii) All levels of the speech sound system, including, but not
29 limited to, word boundaries, rhyme recognition, stress patterns,



1 syllables, onset-rime units, and phonemes.

2 (g) "Phonological" means relating to the system of contrastive
3 relationships among the speech sounds that constitute the
4 fundamental components of a language.

5 (h) "Progress monitoring" means the assessing of students'
6 academic performance, quantifying students' rates of improvement or
7 progress toward goals, and determining how students are responding
8 to instruction.

9 (i) "Rapid automatized naming (RAN)" means a task that
10 measures how quickly individuals can name objects; pictures;
11 colors; or symbols, including letters and digits, aloud, which can
12 predict later reading abilities for preliterate children.

13 Sec. 35b. (1) From the general fund money appropriated in
14 section 11, there is allocated for ~~2021-2022~~**2022-2023** an amount
15 not to exceed \$250,000.00 for a grant to be distributed by the
16 department to the Children's Choice Initiative for a program to use
17 a multisensory structured language education method to improve
18 reading proficiency rates and to comply with section 1280f of the
19 revised school code, MCL 380.1280f.

20 (2) Grant funds awarded under this section must be expended
21 for the following purposes:

22 (a) Professional development including training staff and
23 tutors in a multisensory, sequential, systematic education
24 approach.

25 (b) Additional instructional time before, during, or after
26 school for pupils in grades K to 3 identified as having an early
27 literacy delay or reading deficiency using a multisensory,
28 sequential, systematic education approach.

29 (3) Not later than December 1, ~~2021~~**2022**, an entity that



1 receives grant funds under this section shall report to the house
2 and senate appropriations subcommittees on school aid, the house
3 and senate fiscal agencies, and the state budget director on all of
4 the following for the grant funds awarded under this section:

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

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

8 (c) The number of hours of added instructional time provided
9 to pupils served.

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

12 Sec. 35d. (1) From the general fund money appropriated under
13 section 11, for ~~2021-2022~~, **2022-2023**, there is allocated an amount
14 not to exceed \$1,000,000.00 for the department to provide grants to
15 districts and intermediate districts for the purchase of 1 or more
16 components or trainings through an eligible teacher training
17 program for children with dyslexia from a provider of an eligible
18 teacher training program for children with dyslexia as provided
19 under this section.

20 (2) A provider that provides programming that meets all of the
21 following is considered to be a provider of an eligible teacher
22 training program for purposes of this section:

23 (a) Allows teachers to incorporate the 5 components essential
24 to an effective reading program into their daily lessons. The 5
25 components described in this subdivision are phonemic awareness,
26 phonics, vocabulary, fluency, and comprehension.

27 (b) Trains educators to teach reading using a proven,
28 multisensory approach.

29 (c) Educates teachers on how to explicitly and effectively



1 teach reading to beginning readers.

2 (d) Breaks reading and spelling down into smaller skills
3 involving letters and sounds, and then builds on these skills over
4 time.

5 (e) Uses multisensory teaching strategies to teach reading by
6 using sight, hearing, touch, and movement to help students connect
7 and learn the concepts being taught.

8 (3) Districts and intermediate districts may apply to the
9 department for grants to purchase components or training through an
10 eligible teacher training program from a provider of an eligible
11 teacher training program, and, upon receiving an application but
12 except as otherwise provided in this subsection, the department
13 shall make payments to districts and intermediate districts for
14 those purchases. The department shall make payments under this
15 section on a first-come, first-served basis until funds are
16 depleted.

17 Sec. 35e. (1) From the general fund money appropriated under
18 section 11, there is allocated an amount not to exceed
19 \$2,000,000.00 for ~~2021-2022~~**2022-2023** for a grant to be distributed
20 by the department to an organization to provide early literacy and
21 academic support to at-need youth in this state.

22 (2) To qualify for a grant under this section, an organization
23 must be exempt from federal income tax under section 501(c)(3) **or**
24 **501(c)(4)** of the internal revenue code, 26 USC 501, and must be
25 affiliated and in good standing with a national congressionally
26 chartered organization's standards under 36 USC 20101 to 240112,
27 and must meet both of the following:

28 (a) Is facility-based and provides proven and tested
29 recreational, educational, and character building programs for



1 children ages 6 to 18.

2 (b) Provides after-school and summer programs in at least 25
3 communities statewide, with youth development services available at
4 least 20 hours per week during the school year and 30 hours per
5 week during summer programming.

6 (3) A grant recipient under this section shall administer an
7 early learning literacy program targeted at students in grades K-3.
8 At least 60% of the participants in the program must qualify for
9 free or reduced-priced lunch. Each entity receiving funds to
10 implement the program shall report to the department on the number
11 of children served, the types of services, and the outcome of those
12 services.

13 (4) Notwithstanding section 17b, the department shall make
14 grant payments under this section on a schedule determined by the
15 department.

16 Sec. 35f. From the general fund money appropriated in section
17 11, there is allocated for ~~2021-2022~~**2022-2023** an amount not to
18 exceed ~~\$750,000.00~~**\$1,000,000.00** for the department to award to the
19 Chaldean ~~community foundation~~**Community Foundation**. The Chaldean
20 ~~community foundation~~**Community Foundation** shall use funds received
21 under this section to support and expand early childhood learning
22 opportunities, improve early literacy achievement, increase high
23 school graduation rates for new Americans, and assist with diploma
24 acquisition, skills training, and postsecondary education.

25 Sec. 35g. (1) From the state school aid fund money
26 appropriated in section 11, there is allocated an amount not to
27 exceed \$1,000,000.00 for ~~2021-2022~~**2022-2023** for competitive grants
28 to eligible districts that have established innovative community
29 libraries.



1 (2) A district that has established an innovative community
2 library that meets all of the following is an eligible district
3 under this section:

4 (a) The library provides for the engagement and connection of
5 readers.

6 (b) The library provides for resources that are used to
7 further reading skills.

8 (c) The library provides for the involvement of community
9 volunteers and donations.

10 (3) An eligible district may partner with an existing library
11 to provide an innovative community library described in subsection
12 (2).

13 (4) For the purpose of this section, an innovative community
14 library described in subsection (2) does not need to be in a
15 physical building.

16 (5) To receive funding under this section, an eligible
17 district must apply for the funding to the department's innovation
18 council, in a form and manner prescribed by the department's
19 innovation council, by not later than March 15, ~~2022~~**2023**. The
20 department's innovation council must develop an application process
21 for the submission of applications for funding under this section
22 by not later than December 15, ~~2021~~**2022**. The department's
23 innovation council must score applications and award up to 20
24 grants under this section based on the following criteria by not
25 later than July 15, ~~2022~~**2023**:

26 (a) How the innovative community library has addressed early
27 childhood literacy gaps.

28 (b) How community partners of the innovative community library
29 have engaged in addressing literacy gaps.



1 (c) How the innovative community library has connected
2 different readers together.

3 (d) How the innovative community library will promote its
4 approach to other districts or communities in addressing early
5 literacy gaps.

6 (6) The grant awards under subsection (5) must be ranked in a
7 manner in which there are 2 first-place grant awards, 2 second-
8 place grant awards, 2 third-place grant awards, 2 fourth-place
9 grant awards, 2 fifth-place grant awards, 2 sixth-place grant
10 awards, 2 seventh-place grant awards, 2 eighth-place grant awards,
11 2 ninth-place grant awards, and 2 tenth-place grant awards. The
12 first-place grant awards described in this subsection must receive
13 the highest award of funding under this section and the amount of
14 funding awarded under this section must decline sequentially with
15 each numerical-place award described in this subsection, with the
16 lowest award of funding under this section going to the tenth-place
17 grant award recipients.

18 (7) Notwithstanding section 17b, subject to subsection (5),
19 the department shall make payments to eligible districts under this
20 section on a schedule determined by the department.

21 Sec. 35h. From the general fund money appropriated in section
22 11, there is allocated for ~~2021-2022~~**2022-2023** an amount not to
23 exceed ~~\$1,700,000.00~~**\$500,000.00** to the Jewish Federation of Metro
24 Detroit to support day schools, day camps, and summer programming
25 to help mitigate the impact of remote learning on students' mental
26 health and physical well-being.

27 Sec. 39. (1) An eligible applicant receiving funds under
28 section 32d shall submit an application, in a form and manner
29 prescribed by the department, by a date specified by the department



1 in the immediately preceding fiscal year. An eligible applicant is
2 not required to amend the applicant's current accounting cycle or
3 adopt this state's fiscal year accounting cycle in accounting for
4 financial transactions under this section. The application must
5 include all of the following:

6 (a) The estimated total number of children in the community
7 who meet the criteria of section 32d, as provided to the applicant
8 by the department utilizing the most recent population data
9 available from the American Community Survey conducted by the
10 United States Census Bureau. The department shall ensure that it
11 provides updated American Community Survey population data at least
12 once every 3 years.

13 (b) The estimated number of children in the community who meet
14 the criteria of section 32d and are being served exclusively by
15 Head Start programs operating in the community.

16 (c) The number of children whom the applicant has the capacity
17 to serve who meet the criteria of section 32d including a
18 verification of physical facility and staff resources capacity.

19 (2) After notification of funding allocations, an applicant
20 receiving funds under section 32d shall also submit an
21 implementation plan for approval, in a form and manner prescribed
22 by the department, by a date specified by the department, that
23 details how the applicant complies with the program components
24 established by the department ~~pursuant to~~ **under** section 32d.

25 (3) The initial allocation to each eligible applicant under
26 section 32d is the lesser of the following:

27 (a) The sum of the number of children served in a school-day
28 program in the preceding school year multiplied by \$8,700.00 and
29 the number of children served in a GSRP/Head Start blended program



1 or a part-day program in the preceding school year multiplied by
2 \$4,350.00.

3 (b) The sum of the number of children the applicant has the
4 capacity to serve in the current school year in a school-day
5 program multiplied by \$8,700.00 and the number of children served
6 in a GSRP/Head Start blended program or a part-day program the
7 applicant has the capacity to serve in the current school year
8 multiplied by \$4,350.00.

9 (4) If funds remain after the allocations under subsection
10 (3), the department shall distribute the remaining funds to each
11 ~~intermediate-eligible school district or consortium of intermediate~~
12 ~~districts~~ that serves less than the state percentage benchmark
13 determined under subsection (5). The department shall distribute
14 these remaining funds to each eligible applicant based upon each
15 applicant's proportionate share of the remaining unserved children
16 necessary to meet the statewide percentage benchmark in
17 ~~intermediate-eligible school districts or consortia of intermediate~~
18 ~~districts~~ serving less than the statewide percentage benchmark.
19 When all applicants have been given the opportunity to reach the
20 statewide percentage benchmark, the statewide percentage benchmark
21 may be reset, as determined by the department, until greater equity
22 of opportunity to serve eligible children across all ~~intermediate~~
23 **eligible** school districts has been achieved.

24 (5) For the purposes of subsection (4), the department shall
25 calculate a percentage of children served by each ~~intermediate~~
26 **eligible school** ~~district or consortium of intermediate districts~~ by
27 adding the number of children served in the immediately preceding
28 year by that ~~intermediate-eligible school~~ ~~district or consortium~~
29 with the number of eligible children under section 32d served



exclusively by head start, as reported in a form and manner prescribed by the department, within the ~~intermediate-eligible~~ **school** district ~~or consortia~~-service area and dividing that total by the total number of children within the ~~intermediate-eligible~~ **school** district ~~or consortium of intermediate districts~~ who meet the criteria of section 32d as determined by the department utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department shall compare the resulting percentage of eligible children served to a statewide percentage benchmark to determine if the ~~intermediate-eligible school~~ district ~~or consortium~~ is eligible for additional funds under subsection (4). The statewide percentage benchmark is 100%.

(6) If, taking into account the total amount to be allocated to the applicant as calculated under this section, an applicant determines that it is able to include additional eligible children in the great start readiness program without additional funds under section 32d, the applicant may include additional eligible children but does not receive additional funding under section 32d for those children.

(7) The department shall review the program components under section 32d and under this section at least biennially. The department also shall convene a committee of internal and external stakeholders at least once every 5 years to ensure that the funding structure under this section reflects current system needs under section 32d.

(8) As used in this section, "**eligible school district**", "GSRP/Head Start blended program", "part-day program", and "school-day program" mean those terms as defined in section 32d.



~~(9) For the 2020-2021 program year only, the number of children reported on the application described in subsection (1)(a), (b), and (c) must not be used by the department for the purpose of calculating hold harmless funding levels for 2021-2022. Hold harmless funding for 2021-2022 must be determined based on the 2019-2020 final allocations calculated and paid under section 32d in 2019-2020.~~

Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated ~~for 2020-2021 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at \$752,300,000.00 and there is allocated for 2021-2022-2022-2023~~ to districts, intermediate districts, and other eligible entities all available federal funding, estimated at \$752,300,000.00, for the federal programs under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95. These funds are allocated as follows:

(a) An amount ~~estimated at \$1,200,000.00 for 2020-2021 and estimated at \$1,200,000.00 for 2021-2022-2022-2023~~ to provide students with drug- and violence-prevention programs and to implement strategies to improve school safety, funded from DED-OESE, drug-free schools and communities funds.

(b) An amount ~~estimated at \$100,000,000.00 for 2020-2021 and estimated at \$100,000,000.00 for 2021-2022-2022-2023~~ for the purpose of preparing, training, and recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving teacher quality funds.

(c) An amount ~~estimated at \$13,000,000.00 for 2020-2021 and estimated at \$13,000,000.00 for 2021-2022-2022-2023~~ for programs to



1 teach English to limited English proficient (LEP) children, funded
2 from DED-OESE, language acquisition state grant funds.

3 (d) An amount ~~estimated at \$2,800,000.00 for 2020-2021 and~~
4 ~~estimated at \$2,800,000.00 for 2021-2022~~ **2022-2023** for rural and
5 low-income schools, funded from DED-OESE, rural and low income
6 school funds.

7 (e) An amount ~~estimated at \$535,000,000.00 for 2020-2021 and~~
8 ~~estimated at \$535,000,000.00 for 2021-2022~~ **2022-2023** to provide
9 supplemental programs to enable educationally disadvantaged
10 children to meet challenging academic standards, funded from DED-
11 OESE, title I, disadvantaged children funds.

12 (f) An amount ~~estimated at \$9,200,000.00 for 2020-2021 and~~
13 ~~estimated at \$9,200,000.00 for 2021-2022~~ **2022-2023** for the purpose
14 of identifying and serving migrant children, funded from DED-OESE,
15 title I, migrant education funds.

16 (g) An amount ~~estimated at \$39,000,000.00 for 2020-2021 and~~
17 ~~estimated at \$39,000,000.00 for 2021-2022~~ **2022-2023** for the purpose
18 of providing high-quality extended learning opportunities, after
19 school and during the summer, for children in low-performing
20 schools, funded from DED-OESE, twenty-first century community
21 learning center funds.

22 (h) An amount ~~estimated at \$14,000,000.00 for 2020-2021 and~~
23 ~~estimated at \$14,000,000.00 for 2021-2022~~ **2022-2023** to help support
24 local school improvement efforts, funded from DED-OESE, title I,
25 local school improvement grants.

26 (i) An amount ~~estimated at \$35,000,000.00 for 2020-2021 and~~
27 ~~estimated at \$35,000,000.00 for 2021-2022~~ **2022-2023** to improve the
28 academic achievement of students, funded from DED-OESE, title IV,
29 student support and academic enrichment grants.



(j) An amount ~~estimated at \$3,100,000.00 for 2020-2021 and~~
estimated at \$3,100,000.00 for ~~2021-2022-2022-2023~~ for literacy
programs that advance literacy skills for students from birth
through grade 12, including, but not limited to, English-proficient
students and students with disabilities, funded from DED-OESE,
striving readers comprehensive literacy program.

(2) From the federal funds appropriated in section 11, there
is allocated to districts, intermediate districts, and other
eligible entities all available federal funding, ~~estimated at~~
~~\$77,867,000.00 for 2020-2021 and~~ estimated at \$56,500,000.00 for
~~2021-2022-2022-2023~~ for the following programs that are funded by
federal grants:

(a) An amount ~~estimated at \$24,367,000.00 for 2020-2021 and~~
estimated at \$3,000,000.00 for ~~2021-2022-2022-2023~~ to provide
services to homeless children and youth, funded from DED-OVAE,
homeless children and youth funds.

(b) An amount ~~estimated at \$24,000,000.00 for 2020-2021 and~~
estimated at \$24,000,000.00 for ~~2021-2022-2022-2023~~ for providing
career and technical education services to pupils, funded from DED-
OVAE, basic grants to states.

(c) An amount ~~estimated at \$14,000,000.00 for 2020-2021 and~~
estimated at \$14,000,000.00 for ~~2021-2022-2022-2023~~ for the
Michigan charter school subgrant program, funded from DED-OII,
public charter schools program funds.

(d) An amount ~~estimated at \$14,000,000.00 for 2020-2021 and~~
estimated at \$14,000,000.00 for ~~2021-2022-2022-2023~~ for the purpose
of promoting and expanding high-quality preschool services, funded
from HHS-OCC, preschool development funds.

(e) An amount ~~estimated at \$1,500,000.00 for 2020-2021 and~~



1 estimated at \$1,500,000.00 for ~~2021-2022~~**2022-2023** for the purpose
2 of addressing priority substance abuse treatment, prevention, and
3 mental health needs, funded from HHS-SAMHSA.

4 (3) The department shall distribute all federal funds
5 allocated under this section in accordance with federal law and
6 with flexibility provisions outlined in Public Law 107-116, and in
7 the education flexibility partnership act of 1999, Public Law 106-
8 25. Notwithstanding section 17b, the department shall make payments
9 of federal funds to districts, intermediate districts, and other
10 eligible entities under this section on a schedule determined by
11 the department.

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

17 (5) For the purposes of funding federal title I grants under
18 this article, in addition to any other federal grants for which the
19 strict discipline academy is eligible, the department shall
20 allocate to a strict discipline academy out of title I, part A an
21 amount equal to what the strict discipline academy would have
22 received if included and calculated under title I, part D, or what
23 it would receive under the formula allocation under title I, part
24 A, whichever is greater.

25 (6) As used in this section:

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

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

29 (c) "DED-OII" means the DED Office of Innovation and



1 Improvement.

2 (d) "DED-OVAE" means the DED Office of Vocational and Adult
3 Education.

4 (e) "HHS" means the United States Department of Health and
5 Human Services.

6 (f) "HHS-OCC" means the HHS Office of Child Care.

7 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental
8 Health Services Project.

9 Sec. 41. (1) For a district to be eligible to receive funding
10 under this section, the district must administer to English
11 language learners the English language proficiency assessment known
12 as the "WIDA ACCESS for English language learners" or the "WIDA
13 Alternate ACCESS". From the state school aid fund money
14 appropriated in section 11, there is allocated an amount not to
15 exceed \$25,200,000.00 for ~~2021-2022~~**2022-2023** for payments to
16 eligible districts for services for English language learners who
17 have been administered the WIDA ACCESS for English language
18 learners.

19 (2) The department shall distribute funding allocated under
20 subsection (1) to eligible districts based on the number of full-
21 time equivalent English language learners as follows:

22 (a) \$935.00 per full-time equivalent English language learner
23 who has been assessed under the WIDA ACCESS for English language
24 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
25 Alternate ACCESS composite score between 1.0 and 1.9, or less, as
26 applicable to each assessment.

27 (b) \$645.00 per full-time equivalent English language learner
28 who has been assessed under the WIDA ACCESS for English language
29 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA



1 Alternate ACCESS composite score between 2.0 and 2.9, or less, as
2 applicable to each assessment.

3 (c) \$105.00 per full-time equivalent English language learner
4 who has been assessed under the WIDA ACCESS for English language
5 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
6 Alternate ACCESS composite score between 3.0 and 3.9, or less, as
7 applicable to each assessment.

8 (3) If funds allocated under subsection (1) are insufficient
9 to fully fund the payments as prescribed under subsection (2), the
10 department shall prorate payments on an equal percentage basis,
11 with the same percentage proration applied to all funding
12 categories.

13 (4) Each district receiving funds under subsection (1) shall
14 submit to the department by July 15 of each fiscal year a report,
15 not to exceed 10 pages, on the usage by the district of funds under
16 subsection (1) in a form and manner determined by the department,
17 including a brief description of each program conducted or services
18 performed by the district using funds under subsection (1) and the
19 amount of funds under subsection (1) allocated to each of those
20 programs or services. If a district does not comply with this
21 subsection, the department shall withhold an amount equal to the
22 August payment due under this section until the district complies
23 with this subsection. If the district does not comply with this
24 subsection by the end of the fiscal year, the withheld funds are
25 forfeited to the **state** school aid fund.

26 (5) In order to receive funds under subsection (1), a district
27 must allow access for the department or the department's designee
28 to audit all records related to the program for which it receives
29 those funds. The district shall reimburse this state for all



disallowances found in the audit.

(6) Beginning July 1, 2020, and every 3 years thereafter, the department shall review the per-pupil distribution under subsection (2), to ensure that funding levels are appropriate and make recommendations for adjustments to the members of the senate and house subcommittees on K-12 school aid appropriations.

Sec. 41a. From the general fund money appropriated in section 11, there is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed \$450,000.00 for ~~Mi Alma and the Exito Educativo program. Mi Alma~~**the Centro Multicultural La Familia. The Centro Multicultural La Familia** shall use funds allocated under this section for Exito Educativo, an after-school program that brings Latino parents and their children who are in high school together to learn about the requirements for high school graduation, the different sources of support, and the pathways to college.

Sec. 51a. (1) From the state school aid fund money in section 11, there is allocated an amount not to exceed ~~\$1,079,296,100.00~~**\$1,123,696,000.00** for ~~2020-2021~~**2021-2022** and there is allocated an amount not to exceed ~~\$1,123,696,100.00~~**\$1,124,396,100.00** for ~~2021-2022~~**2022-2023** from state sources and all available federal funding under sections 1411 to 1419 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at ~~\$456,752,000.00~~**\$380,000,000.00** for ~~2020-2021~~**2021-2022** and ~~\$380,000,000.00~~**\$390,000,000.00** for ~~2021-2022~~**2022-2023**, plus any carryover federal funds from previous year appropriations. The allocations under this subsection are for the purpose of reimbursing districts and intermediate districts for special education programs, services, and special education personnel as prescribed in article 3 of the revised school code, MCL 380.1701 to



380.1761; net tuition payments made by intermediate districts to the Michigan Schools for the Deaf and Blind; and special education programs and services for pupils who are eligible for special education programs and services according to statute or rule. For meeting the costs of special education programs and services not reimbursed under this article, a district or intermediate district may use money in general funds or special education funds, not otherwise restricted, or contributions from districts to intermediate districts, tuition payments, gifts and contributions from individuals or other entities, or federal funds that may be available for this purpose, as determined by the intermediate district plan prepared under article 3 of the revised school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(2) From the funds allocated under subsection (1), there is allocated the amount necessary, estimated at ~~\$319,000,000.00~~ **\$311,900,000.00** for ~~2020-2021-2021-2022~~ and estimated at ~~\$332,000,000.00~~ **\$323,300,000.00** for ~~2021-2022, 2022-2023~~, for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Allocations under this subsection are made as follows:

(a) The department shall calculate the initial amount allocated to a district under this subsection toward fulfilling the specified percentages by multiplying the district's special education pupil membership, excluding pupils described in



subsection (11), times the foundation allowance under section 20 of the pupil's district of residence, plus the amount of the district's per-pupil allocation under section 20m, not to exceed the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the target foundation allowance for the current fiscal year, and that district's per-pupil allocation under section 20m.

(b) After the allocations under subdivision (a), the department shall pay a district or intermediate district for which the payments calculated under subdivision (a) do not fulfill the specified percentages the amount necessary to achieve the specified percentages for the district or intermediate district.

(3) From the funds allocated under subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed \$1,000,000.00 and there is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed \$1,000,000.00 to make payments to districts and intermediate districts under this subsection. If the amount allocated to a district or intermediate district for a fiscal year under subsection (2)(b) is less than the sum of the amounts allocated to the district or intermediate district for 1996-97 under sections 52 and 58, there is allocated to the district or



1 intermediate district for the fiscal year an amount equal to that
2 difference, adjusted by applying the same proration factor that was
3 used in the distribution of funds under section 52 in 1996-97 as
4 adjusted to the district's or intermediate district's necessary
5 costs of special education used in calculations for the fiscal
6 year. This adjustment is to reflect reductions in special education
7 program operations or services between 1996-97 and subsequent
8 fiscal years. The department shall make adjustments for reductions
9 in special education program operations or services in a manner
10 determined by the department and shall include adjustments for
11 program or service shifts.

12 (4) If the department determines that the sum of the amounts
13 allocated for a fiscal year to a district or intermediate district
14 under subsection (2)(a) and (b) is not sufficient to fulfill the
15 specified percentages in subsection (2), then the department shall
16 pay the shortfall to the district or intermediate district during
17 the fiscal year beginning on the October 1 following the
18 determination and shall adjust payments under subsection (3) as
19 necessary. If the department determines that the sum of the amounts
20 allocated for a fiscal year to a district or intermediate district
21 under subsection (2)(a) and (b) exceeds the sum of the amount
22 necessary to fulfill the specified percentages in subsection (2),
23 then the department shall deduct the amount of the excess from the
24 district's or intermediate district's payments under this article
25 for the fiscal year beginning on the October 1 following the
26 determination and shall adjust payments under subsection (3) as
27 necessary. However, if the amount allocated under subsection (2)(a)
28 in itself exceeds the amount necessary to fulfill the specified
29 percentages in subsection (2), there is no deduction under this



1 subsection.

2 (5) State funds are allocated on a total approved cost basis.
3 Federal funds are allocated under applicable federal requirements.

4 (6) From the amount allocated in subsection (1), there is
5 allocated an amount not to exceed \$2,200,000.00 for ~~2020-2021-2021-~~
6 **2022** and there is allocated an amount not to exceed \$2,200,000.00
7 for ~~2021-2022-2022-2023~~ to reimburse 100% of the net increase in
8 necessary costs incurred by a district or intermediate district in
9 implementing the revisions in the administrative rules for special
10 education that became effective on July 1, 1987. As used in this
11 subsection, "net increase in necessary costs" means the necessary
12 additional costs incurred solely because of new or revised
13 requirements in the administrative rules minus cost savings
14 permitted in implementing the revised rules. The department shall
15 determine net increase in necessary costs in a manner specified by
16 the department.

17 (7) For purposes of this section and sections 51b to 58, all
18 of the following apply:

19 (a) "Total approved costs of special education" are determined
20 in a manner specified by the department and may include indirect
21 costs, but must not exceed 115% of approved direct costs for
22 section 52 and section 53a programs. The total approved costs
23 include salary and other compensation for all approved special
24 education personnel for the program, including payments for Social
25 Security and Medicare and public school employee retirement system
26 contributions. The total approved costs do not include salaries or
27 other compensation paid to administrative personnel who are not
28 special education personnel as that term is defined in section 6 of
29 the revised school code, MCL 380.6. Costs reimbursed by federal



1 funds, other than those federal funds included in the allocation
2 made under this article, are not included. Special education
3 approved personnel not utilized full time in the evaluation of
4 students or in the delivery of special education programs,
5 ancillary, and other related services are reimbursed under this
6 section only for that portion of time actually spent providing
7 these programs and services, with the exception of special
8 education programs and services provided to youth placed in child
9 caring institutions or juvenile detention programs approved by the
10 department to provide an on-grounds education program.

11 (b) Beginning with the 2004-2005 fiscal year, a district or
12 intermediate district that employed special education support
13 services staff to provide special education support services in
14 2003-2004 or in a subsequent fiscal year and that in a fiscal year
15 after 2003-2004 receives the same type of support services from
16 another district or intermediate district shall report the cost of
17 those support services for special education reimbursement purposes
18 under this article. This subdivision does not prohibit the transfer
19 of special education classroom teachers and special education
20 classroom aides if the pupils counted in membership associated with
21 those special education classroom teachers and special education
22 classroom aides are transferred and counted in membership in the
23 other district or intermediate district in conjunction with the
24 transfer of those teachers and aides.

25 (c) If the department determines before bookclosing for a
26 fiscal year that the amounts allocated for that fiscal year under
27 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
28 will exceed expenditures for that fiscal year under subsections
29 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a



1 district or intermediate district whose reimbursement for that
2 fiscal year would otherwise be affected by subdivision (b),
3 subdivision (b) does not apply to the calculation of the
4 reimbursement for that district or intermediate district and the
5 department shall calculate reimbursement for that district or
6 intermediate district in the same manner as it was for 2003-2004.
7 If the amount of the excess allocations under subsections (2), (3),
8 (6), and (11) and sections 53a, 54, and 56 is not sufficient to
9 fully fund the calculation of reimbursement to those districts and
10 intermediate districts under this subdivision, then the department
11 shall prorate calculations and resulting reimbursement under this
12 subdivision on an equal percentage basis. ~~Beginning in 2015-2016,~~
13 ~~the~~ **The** amount of reimbursement under this subdivision for a fiscal
14 year must not exceed \$2,000,000.00 for any district or intermediate
15 district.

16 (d) Reimbursement for ancillary and other related services, as
17 that term is defined by R 340.1701c of the Michigan Administrative
18 Code, is not provided when those services are covered by and
19 available through private group health insurance carriers or
20 federal reimbursed program sources unless the department and
21 district or intermediate district agree otherwise and that
22 agreement is approved by the state budget director. Expenses, other
23 than the incidental expense of filing, must not be borne by the
24 parent. In addition, the filing of claims must not delay the
25 education of a pupil. A district or intermediate district is
26 responsible for payment of a deductible amount and for an advance
27 payment required until the time a claim is paid.

28 (e) ~~Beginning with calculations for 2004-2005, if~~ **If** an
29 intermediate district purchases a special education pupil



1 transportation service from a constituent district that was
2 previously purchased from a private entity; if the purchase from
3 the constituent district is at a lower cost, adjusted for changes
4 in fuel costs; and if the cost shift from the intermediate district
5 to the constituent does not result in any net change in the revenue
6 the constituent district receives from payments under sections 22b
7 and 51c, then upon application by the intermediate district, the
8 department shall direct the intermediate district to continue to
9 report the cost associated with the specific identified special
10 education pupil transportation service and shall adjust the costs
11 reported by the constituent district to remove the cost associated
12 with that specific service.

13 (8) A pupil who is enrolled in a full-time special education
14 program conducted or administered by an intermediate district or a
15 pupil who is enrolled in the Michigan Schools for the Deaf and
16 Blind is not included in the membership count of a district, but is
17 counted in membership in the intermediate district of residence.

18 (9) Special education personnel transferred from 1 district to
19 another to implement the revised school code are entitled to the
20 rights, benefits, and tenure to which the ~~person~~**individual** would
21 otherwise be entitled had that ~~person~~**individual** been employed by
22 the receiving district originally.

23 (10) If a district or intermediate district uses money
24 received under this section for a purpose other than the purpose or
25 purposes for which the money is allocated, the department may
26 require the district or intermediate district to refund the amount
27 of money received. The department shall deposit money that is
28 refunded in the state treasury to the credit of the state school
29 aid fund.



(11) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at ~~\$2,400,000.00~~ **\$2,900,000.00** for ~~2020-2021-2021-2022~~ and estimated at ~~\$2,900,000.00~~ **\$1,500,000.00** for ~~2021-2022,~~ **2022-2023**, to pay the foundation allowances for pupils described in this subsection. The department shall calculate the allocation to a district under this subsection by multiplying the number of pupils described in this subsection who are counted in membership in the district times the sum of the foundation allowance under section 20 of the pupil's district of residence, plus the amount of the district's per-pupil allocation under section 20m, not to exceed the target foundation allowance for the current fiscal year, or, for a pupil described in this subsection who is counted in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil under section 20(6). The department shall calculate the allocation to an intermediate district under this subsection in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence not to exceed the target foundation allowance for the current fiscal year and that district's per-pupil allocation under section 20m. This subsection applies to all of the following pupils:

(a) Pupils described in section 53a.

(b) Pupils counted in membership in an intermediate district who are not special education pupils and are served by the intermediate district in a juvenile detention or child caring facility.

(c) Pupils with an emotional impairment counted in membership by an intermediate district and provided educational services by



1 the department of health and human services.

2 (12) If it is determined that funds allocated under subsection
3 (2) or (11) or under section 51c will not be expended, funds up to
4 the amount necessary and available may be used to supplement the
5 allocations under subsection (2) or (11) or under section 51c in
6 order to fully fund those allocations. After payments under
7 subsections (2) and (11) and section 51c, the department shall
8 expend the remaining funds from the allocation in subsection (1) in
9 the following order:

10 (a) ~~100%~~ **One hundred percent** of the reimbursement required
11 under section 53a.

12 (b) ~~100%~~ **One hundred percent** of the reimbursement required
13 under subsection (6).

14 (c) ~~100%~~ **One hundred percent** of the payment required under
15 section 54.

16 (d) ~~100%~~ **One hundred percent** of the payment required under
17 subsection (3).

18 (e) ~~100%~~ **One hundred percent** of the payments under section 56.

19 (13) The allocations under subsections (2), (3), and (11) are
20 allocations to intermediate districts only and are not allocations
21 to districts, but instead are calculations used only to determine
22 the state payments under section 22b.

23 (14) If a public school academy that is not a cyber school, as
24 that term is defined in section 551 of the revised school code, MCL
25 380.551, enrolls under this section a pupil who resides outside of
26 the intermediate district in which the public school academy is
27 located and who is eligible for special education programs and
28 services according to statute or rule, or who is a child with a
29 disability, as that term is defined under the individuals with



1 disabilities education act, Public Law 108-446, the intermediate
2 district in which the public school academy is located and the
3 public school academy shall enter into a written agreement with the
4 intermediate district in which the pupil resides for the purpose of
5 providing the pupil with a free appropriate public education, and
6 the written agreement must include at least an agreement on the
7 responsibility for the payment of the added costs of special
8 education programs and services for the pupil. If the public school
9 academy that enrolls the pupil does not enter into an agreement
10 under this subsection, the public school academy shall not charge
11 the pupil's resident intermediate district or the intermediate
12 district in which the public school academy is located the added
13 costs of special education programs and services for the pupil, and
14 the public school academy is not eligible for any payouts based on
15 the funding formula outlined in the resident or nonresident
16 intermediate district's plan. If a pupil is not enrolled in a
17 public school academy under this subsection, the provision of
18 special education programs and services and the payment of the
19 added costs of special education programs and services for a pupil
20 described in this subsection are the responsibility of the district
21 and intermediate district in which the pupil resides.

22 (15) For the purpose of receiving its federal allocation under
23 part B of the individuals with disabilities education act, Public
24 Law 108-446, a public school academy that is a cyber school, as
25 that term is defined in section 551 of the revised school code, MCL
26 380.551, and is in compliance with section 553a of the revised
27 school code, MCL 380.553a, directly receives the federal allocation
28 under part B of the individuals with disabilities education act,
29 Public Law 108-446, from the intermediate district in which the



cyber school is located, as the subrecipient. If the intermediate district does not distribute the funds described in this subsection to the cyber school by the part B application due date of July 1, the department may distribute the funds described in this subsection directly to the cyber school according to the formula prescribed in 34 CFR 300.705 and 34 CFR 300.816. **Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.**

(16) For a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the intermediate district in which the cyber school is located shall ensure that the cyber school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757; applicable rules; and the individuals with disabilities education act, Public Law 108-446. **Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.**

(17) For the purposes of this section, the department or the center shall only require a district or intermediate district to report information that is not already available from the financial information database maintained by the center.

Sec. 51c. As required by the court in the consolidated cases known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the allocation under section 51a(1), there is allocated for ~~2020-2021~~



1 ~~and for 2021-2022,~~ **2022-2023**, the amount necessary, estimated at
 2 ~~\$702,500,000.00 for 2020-2021 and \$733,400,000.00~~ **\$710,000,000.00**
 3 ~~for 2021-2022,~~ **2022-2023**, for payments to reimburse districts for
 4 28.6138% of total approved costs of special education excluding
 5 costs reimbursed under section 53a, and 70.4165% of total approved
 6 costs of special education transportation. Funds allocated under
 7 this section that are not expended in the fiscal year for which
 8 they were allocated, as determined by the department, may be used
 9 to supplement the allocations under sections 22a and 22b to fully
 10 fund those allocations for the same fiscal year. For each fund
 11 transfer as described in the immediately preceding sentence that
 12 occurs, the state budget director shall send notification of the
 13 transfer to the house and senate appropriations subcommittees on
 14 state school aid and the house and senate fiscal agencies by not
 15 later than 14 calendar days after the transfer occurs.

16 Sec. 51d. (1) From the federal funds appropriated in section
 17 11, ~~there is allocated for 2020-2021 all available federal funding,~~
 18 ~~estimated at \$83,195,000.00, and there is allocated for 2021-2022~~
 19 **2022-2023** all available federal funding, estimated at
 20 \$71,000,000.00, for special education programs and services that
 21 are funded by federal grants. The department shall distribute all
 22 federal funds allocated under this section in accordance with
 23 federal law. Notwithstanding section 17b, the department shall make
 24 payments of federal funds to districts, intermediate districts, and
 25 other eligible entities under this section on a schedule determined
 26 by the department.

27 (2) From the federal funds allocated under subsection (1), the
 28 following amounts are allocated:

29 (a) ~~For 2020-2021, an amount estimated at \$19,822,000.00 for~~



~~handicapped infants and toddlers, funded from DED-OSERS,~~
~~handicapped infants and toddlers funds. For 2021-2022, 2022-2023,~~
 an amount estimated at \$14,000,000.00 for handicapped infants and
 toddlers, funded from DED-OSERS, handicapped infants and toddlers
 funds.

(b) ~~For 2020-2021, an amount estimated at \$20,373,000.00 for~~
~~preschool grants under Public Law 94-142, funded from DED-OSERS,~~
~~handicapped preschool incentive funds. For 2021-2022, 2022-2023,~~ an
 amount estimated at \$14,000,000.00 for preschool grants under
 Public Law 94-142, funded from DED-OSERS, handicapped preschool
 incentive funds.

(c) ~~For 2020-2021 and for 2021-2022, 2022-2023,~~ an amount
 estimated at \$43,000,000.00 for special education programs funded
 by DED-OSERS, handicapped program, individuals with disabilities
 act funds.

(3) As used in this section, "DED-OSERS" means the United
 States Department of Education Office of Special Education and
 Rehabilitative Services.

Sec. 51f. (1) From the funds appropriated under section 11,
 there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed
 \$90,207,000.00 for payments to districts and intermediate districts
 to increase the level of reimbursement of costs associated with
 providing special education services required under state and
 federal law.

(2) A district's or intermediate district's allocation under
 this section is equal to the level percentage multiplied by each
 district's or intermediate district's costs reported to the center
 on the special education actual cost report, known as "SE-4096" as
 referred to under section 18(6), as approved by the department.



1 (3) The total reimbursement under this section and under
2 section 51c must not exceed the total reported costs for a district
3 or intermediate district.

4 (4) For ~~2021-2022~~, **2022-2023**, the level percentage is
5 estimated at 3.0%.

6 (5) For the purposes of this section, "level percentage" means
7 the percentage calculated by dividing the allocation in subsection
8 (1) by the total of costs reported to the center on the special
9 education actual cost report, known as "SE-4096" as referred to
10 under section 18(6), as approved by the department.

11 Sec. 53a. (1) For districts, reimbursement for pupils
12 described in subsection (2) is 100% of the total approved costs of
13 operating special education programs and services approved by the
14 department and included in the intermediate district plan adopted
15 under article 3 of the revised school code, MCL 380.1701 to
16 380.1761, minus the district's foundation allowance calculated
17 under section 20 and minus the district's per-pupil allocation
18 under section 20m. For intermediate districts, the department shall
19 calculate reimbursement for pupils described in subsection (2) in
20 the same manner as for a district, using the foundation allowance
21 under section 20 of the pupil's district of residence, not to
22 exceed the target foundation allowance under section 20 for the
23 current fiscal year plus the amount of the district's per-pupil
24 allocation under section 20m.

25 (2) Reimbursement under subsection (1) is for the following
26 special education pupils:

27 (a) Pupils assigned to a district or intermediate district
28 through the community placement program of the courts or a state
29 agency, if the pupil was a resident of another intermediate



1 district at the time the pupil came under the jurisdiction of the
2 court or a state agency.

3 (b) Pupils who are residents of institutions operated by the
4 department of health and human services.

5 (c) Pupils who are former residents of department of community
6 health institutions for the developmentally disabled who are placed
7 in community settings other than the pupil's home.

8 (d) Pupils enrolled in a department-approved on-grounds
9 educational program longer than 180 days, but not longer than 233
10 days, at a residential child care institution, if the child care
11 institution offered in 1991-92 an on-grounds educational program
12 longer than 180 days but not longer than 233 days.

13 (e) Pupils placed in a district by a parent for the purpose of
14 seeking a suitable home, if the parent does not reside in the same
15 intermediate district as the district in which the pupil is placed.

16 (3) Only those costs that are clearly and directly
17 attributable to educational programs for pupils described in
18 subsection (2), and that would not have been incurred if the pupils
19 were not being educated in a district or intermediate district, are
20 reimbursable under this section.

21 (4) The costs of transportation are funded under this section
22 and are not reimbursed under section 58.

23 (5) The department shall not allocate more than \$10,500,000.00
24 of the allocation for ~~2021-2022-2022-2023~~ in section 51a(1) under
25 this section.

26 Sec. 54. Each intermediate district receives an amount per
27 pupil for each pupil in attendance at the Michigan Schools for the
28 Deaf and Blind. The amount is proportionate to the total
29 instructional cost at each school. The department shall not



1 allocate more than \$1,688,000.00 of the allocation for ~~2021-2022~~
 2 **2022-2023** in section 51a(1) under this section.

3 Sec. 54b. (1) From the general fund money appropriated in
 4 section 11, there is allocated an amount not to exceed
 5 \$1,600,000.00 for ~~2021-2022~~**2022-2023** to continue the
 6 implementation of the recommendations of the special education
 7 reform task force published in January 2016.

8 (2) The department shall use funds allocated under this
 9 section for the purpose of piloting statewide implementation of the
 10 ~~Michigan Integrated Behavior and Learning Support Initiative~~
 11 ~~(MiBLSI)~~, **MIMTSS Center**, a nationally recognized program that
 12 includes positive behavioral intervention and supports and provides
 13 a statewide structure to support local initiatives for an
 14 integrated behavior and reading program. With the assistance of the
 15 intermediate districts involved in ~~MiBLSI~~, **the MIMTSS Center**, the
 16 department shall identify a number of intermediate districts to
 17 participate in the pilot that is sufficient to ensure that ~~MiBLSI~~
 18 **the MIMTSS Center** can be implemented statewide with fidelity and
 19 sustainability. In addition, the department shall identify an
 20 intermediate district to act as a fiscal agent for these funds.

21 (3) As used in this section, "MIMTSS Center" means the
 22 **Michigan Multi-tiered System of Supports Center**.

23 Sec. 54d. (1) From the state school aid fund money
 24 appropriated in section 11, there is allocated an amount not to
 25 exceed \$14,150,000.00 for ~~2021-2022~~**2022-2023** to intermediate
 26 districts for the purpose of providing state early on services
 27 programs for children from birth to 3 years of age with a
 28 developmental delay or a disability, or both, and their families,
 29 as described in the early on Michigan state plan, as approved by



1 the department.

2 (2) To be eligible to receive grant funding under this
3 section, each intermediate district must apply in a form and manner
4 determined by the department.

5 (3) The grant funding allocated under this section must be
6 used to increase early on services and resources available to
7 children that demonstrate developmental delays to help prepare them
8 for success as they enter school. State early on services include
9 evaluating and providing early intervention services for eligible
10 infants and toddlers and their families to address developmental
11 delays, including those affecting physical, cognitive,
12 communication, adaptive, social, or emotional development. Grant
13 funds must not be used to supplant existing services that are
14 currently being provided.

15 (4) The department shall distribute the funds allocated under
16 subsection (1) to intermediate districts according to the
17 department's early on funding formula utilized to distribute the
18 federal award to Michigan under part C of the individuals with
19 disabilities education act, Public Law 108-446. Funds received
20 under this section must not supplant existing funds or resources
21 allocated for early on early intervention services. An intermediate
22 district receiving funds under this section shall maximize the
23 capture of Medicaid funds to support early on early intervention
24 services to the extent possible.

25 (5) Each intermediate district that receives funds under this
26 section shall report data and other information to the department
27 in a form, manner, and frequency prescribed by the department to
28 allow for monitoring and evaluation of the program and to ensure
29 that the children described in subsection (1) received appropriate



1 levels and types of services delivered by qualified personnel,
 2 based on the individual needs of the children and their families.

3 (6) Notwithstanding section 17b, the department shall make
 4 payments under this section on a schedule determined by the
 5 department.

6 (7) Grant funds awarded and allocated to an intermediate
 7 district under this section must be expended by the grant recipient
 8 before June 30 of the fiscal year immediately following the fiscal
 9 year in which the funds were received.

10 Sec. 55. (1) From the general fund money appropriated in
 11 section 11, there is allocated an amount not to exceed ~~\$250,000.00~~
 12 **\$300,000.00** for ~~2021-2022-2022-2023~~ to the Conductive Learning
 13 Center ~~located at~~ **operating in cooperation with** Aquinas College.
 14 This funding must be used to support the operational costs of the
 15 conductive education model taught at the Conductive Learning Center
 16 to maximize the independence and mobility of children and adults
 17 with neuromotor disabilities. The conductive education model funded
 18 under this section must be based on the concept of neuroplasticity
 19 and the ability of people to learn and improve when they are
 20 motivated, regardless of the severity of their disability.

21 (2) Notwithstanding section 17b, the department shall
 22 distribute the funding allocated under this section to the
 23 Conductive Learning Center not later than December 1, ~~2021-2022~~.

24 Sec. 56. (1) For the purposes of this section:

25 (a) "Membership" means for a particular fiscal year the total
 26 membership of the intermediate district and the districts
 27 constituent to the intermediate district, except that if a district
 28 has elected not to come under part 30 of the revised school code,
 29 MCL 380.1711 to 380.1741, membership of the district is not



1 included in the membership of the intermediate district.

2 (b) "Millage levied" means the millage levied for special
3 education under part 30 of the revised school code, MCL 380.1711 to
4 380.1741, including a levy for debt service obligations.

5 (c) "Taxable value" means the total taxable value of the
6 districts constituent to an intermediate district, except that if a
7 district has elected not to come under part 30 of the revised
8 school code, MCL 380.1711 to 380.1741, taxable value of the
9 district is not included in the taxable value of the intermediate
10 district.

11 (2) From the allocation under section 51a(1), there is
12 allocated ~~an amount not to exceed \$40,008,100.00 for 2020-2021 and~~
13 an amount not to exceed \$40,008,100.00 for ~~2021-2022~~ **2022-2023** to
14 reimburse intermediate districts levying millages for special
15 education under part 30 of the revised school code, MCL 380.1711 to
16 380.1741. The purpose, use, and expenditure of the reimbursement
17 are limited as if the funds were generated by these millages and
18 governed by the intermediate district plan adopted under article 3
19 of the revised school code, MCL 380.1701 to 380.1761. As a
20 condition of receiving funds under this section, an intermediate
21 district distributing any portion of special education millage
22 funds to its constituent districts must submit for departmental
23 approval and implement a distribution plan.

24 ~~(3) Except as otherwise provided in this subsection,~~
25 ~~reimbursement for those millages levied in 2019-2020 is made in~~
26 ~~2020-2021 at an amount per 2019-2020 membership pupil computed by~~
27 ~~subtracting from \$208,800.00 the 2019-2020 taxable value behind~~
28 ~~each membership pupil and multiplying the resulting difference by~~
29 ~~the 2019-2020 millage levied, and then subtracting from that amount~~



~~the 2019-2020 local community stabilization share revenue for special education purposes behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in 2020-2021 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.~~

(3) ~~(4)~~ Except as otherwise provided in this subsection, reimbursement for those millages levied in ~~2020-2021~~ **2021-2022** is made in ~~2021-2022~~ **2022-2023** at an amount per ~~2020-2021~~ **2021-2022** membership pupil computed by subtracting from ~~\$215,900.00~~ **\$227,700.00** the ~~2020-2021~~ **2021-2022** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2020-2021~~ **2021-2022** millage levied, and then subtracting from that amount the ~~2020-2021~~ **2021-2022** local community stabilization share revenue for special education purposes **and 2021-2022 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670,** behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, **and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.** Reimbursement in ~~2021-2022~~ **2022-2023** for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection ~~(5)~~ **(4)** is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate



1 district.

2 (4) ~~(5)~~ The department shall ensure that the amount paid to a
3 single intermediate district under ~~this section~~ **subsection (2)** does
4 not exceed 62.9% of the total amount allocated under subsection
5 (2).

6 (5) ~~(6)~~ The department shall ensure that the amount paid to a
7 single intermediate district under ~~this section~~ **subsection (2)** is
8 not less than 75% of the amount allocated to the intermediate
9 district under ~~this section~~ **subsection (2)** for the immediately
10 preceding fiscal year.

11 (6) ~~(7)~~ From the ~~state school aid fund money appropriated in~~
12 ~~section 11,~~ **allocation under section 51a(1)**, there is allocated an
13 amount not to exceed \$34,200,000.00 for ~~2021-2022~~ **2022-2023** to
14 provide payments to intermediate districts levying millages for
15 special education under part 30 of the revised school code, MCL
16 380.1711 to 380.1741. The purpose, use, and expenditure of the
17 payments under this subsection are limited as if the funds were
18 generated by these millages and governed by the intermediate
19 district plan adopted under article 3 of the revised school code,
20 MCL 380.1701 to 380.1761. The department shall provide a payment
21 under this subsection to each intermediate district described in
22 this subsection as follows:

23 (a) Except as otherwise provided in this subsection, for an
24 intermediate district with a ~~2020-2021~~ **2021-2022** 3-year average
25 special education millage revenue per pupil that is less than
26 \$251.00 and that is levying at least 46.2% but less than 60.0% of
27 its maximum millage rate allowed under section 1724a of the revised
28 school code, MCL 380.1724a, an amount computed by subtracting from
29 \$251.00 the ~~2020-2021~~ **2021-2022** 3-year average special education



1 millage revenue per pupil and, only if the millage levied by the
 2 intermediate district is less than 1, multiplying that amount by
 3 the number of mills levied divided by 1, and then multiplying that
 4 amount by the ~~2020-2021-2021-2022~~ 3-year average membership, and
 5 then subtracting from that amount the amount allocated under
 6 subsection (2) for ~~2021-2022.~~ **2022-2023**. If the calculation under
 7 this subdivision results in an amount below zero, there is no
 8 payment under this subdivision.

9 (b) Except as otherwise provided in this subsection, for an
 10 intermediate district with a ~~2020-2021-2021-2022~~ 3-year average
 11 special education millage revenue per pupil that is less than
 12 ~~\$281.00~~ **\$296.00** and that is levying at least 60.0% of its maximum
 13 millage rate allowed under section 1724a of the revised school
 14 code, MCL 380.1724a, an amount computed by subtracting from ~~\$281.00~~
 15 **\$296.00** the ~~2020-2021-2021-2022~~ 3-year average special education
 16 millage revenue per pupil, and, only if the millage levied by the
 17 intermediate district is less than 1, multiplying that amount by
 18 the number of mills levied divided by 1, and then multiplying that
 19 amount by the ~~2020-2021-2021-2022~~ 3-year average membership, and
 20 then subtracting from that amount the amount allocated under
 21 subsection (2) for ~~2021-2022.~~ **2022-2023**. If the calculation under
 22 this subdivision results in an amount below zero, there is no
 23 payment under this subdivision.

24 (7) ~~(8)~~ As used in subsection ~~(7)~~ **(6)**:

25 (a) ~~"2020-2021-~~ **"2021-2022** 3-year average membership" means the
 26 3-year average pupil membership for ~~2018-2019,~~ 2019-2020, ~~and 2020-~~
 27 2021, **and 2021-2022**.

28 (b) ~~"2020-2021-~~ **"2021-2022** 3-year average special education
 29 millage revenue per pupil" means the 3-year average taxable value



1 per mill levied behind each membership pupil for ~~2018-2019, 2019-~~
2 ~~2020, and 2020-2021, and 2021-2022~~ multiplied by the ~~2020-2021~~
3 ~~2021-2022~~ millage levied.

4 Sec. 61a. (1) From the state school aid fund money
5 appropriated in section 11, there is allocated an amount not to
6 exceed \$37,611,300.00 for ~~2021-2022-2022-2023~~ to reimburse on an
7 added cost basis districts, except for a district that served as
8 the fiscal agent for a vocational education consortium in the 1993-
9 94 school year and that has a foundation allowance as calculated
10 under section 20 greater than the ~~minimum-target~~ foundation
11 allowance under that section, and secondary area vocational-
12 technical education centers for secondary-level career and
13 technical education programs according to rules approved by the
14 superintendent. Applications for participation in the programs must
15 be submitted in the form prescribed by the department. The
16 department shall determine the added cost for each career and
17 technical education program area. The department shall prioritize
18 the allocation of added cost funds based on the capital and program
19 expenditures needed to operate the career and technical education
20 programs provided; the number of pupils enrolled; the advancement
21 of pupils through the instructional program; the existence of an
22 articulation agreement with at least 1 postsecondary institution
23 that provides pupils with opportunities to earn postsecondary
24 credit during the pupil's participation in the career and technical
25 education program and transfers those credits to the postsecondary
26 institution upon completion of the career and technical education
27 program; and the program rank in student placement, job openings,
28 and wages, and shall ensure that the allocation does not exceed 75%
29 of the added cost of any program. Notwithstanding any rule or



department determination to the contrary, when determining a district's allocation or the formula for making allocations under this section, the department shall include the participation of pupils in grade 9 in all of those determinations and in all portions of the formula. With the approval of the department, the board of a district maintaining a secondary career and technical education program may offer the program for the period from the close of the school year until September 1. The program shall use existing facilities and must be operated as prescribed by rules promulgated by the superintendent.

(2) Except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year, the department shall reimburse districts and intermediate districts for local career and technical education administration, shared time career and technical education administration, and career education planning district career and technical education administration. The superintendent shall adopt guidelines for the definition of what constitutes administration and shall make reimbursement pursuant to those guidelines. The department shall not distribute more than \$800,000.00 of the allocation in subsection (1) under this subsection.

(3) A career and technical education program funded under this section may provide an opportunity for participants who are eligible to be funded under section 107 to enroll in the career and technical education program funded under this section if the participation does not occur during regular school hours.

Sec. 61b. (1) From the ~~funds~~**state school aid fund money** appropriated under section 11, there is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed \$8,000,000.00 ~~from the state~~



~~school aid fund appropriation~~ for CTE early middle college and CTE dual enrollment programs authorized under this section and for planning grants for the development or expansion of CTE early middle college programs. The purpose of these programs is to increase the number of Michigan residents with high-quality degrees or credentials, and to increase the number of students who are college and career ready upon high school graduation.

(2) From the funds allocated under subsection (1), the department shall allocate an amount as determined under this subsection to each intermediate district serving as a fiscal agent for state-approved CTE early middle college and CTE dual enrollment programs in each of the career education planning districts identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administrative costs for serving as the fiscal agent.

(3) To be an eligible fiscal agent, an intermediate district must agree to do all of the following in a form and manner determined by the department:

(a) Distribute funds to eligible CTE early middle college and CTE dual enrollment programs in a career education planning district as described in this section.

(b) Collaborate with the career and educational advisory council in the workforce development board service delivery area to develop 1 regional strategic plan under subsection (4) that aligns CTE programs and services into an efficient and effective delivery system for high school students. The department will align career education planning districts, workforce development board service delivery areas, and intermediate districts for the purpose of creating 1 regional strategic plan for each workforce development



1 board service delivery area.

2 (c) Implement a regional process to rank career clusters in
3 the workforce development board service delivery area as described
4 under subsection (4). Regional processes must be approved by the
5 department before the ranking of career clusters.

6 (d) Report CTE early middle college and CTE dual enrollment
7 program and student data and information as prescribed by the
8 department and the center.

9 (e) The local education agency responsible for student
10 reporting in the Michigan student data system (MSDS) will report
11 the total number of college credits the student earned, at the time
12 of high school graduation, as determined by the department and the
13 center.

14 (f) The local education agency will report each award outcome
15 in the Michigan student data system (MSDS) that the CTE early
16 middle college student attained. For purposes of this subsection,
17 an on-track CTE early middle college graduate is a graduate who
18 obtained their high school diploma and at least 1 of the following:

19 (i) An associate's degree.

20 (ii) 60 transferrable college credits.

21 (iii) Professional certification.

22 (iv) A Michigan Early Middle College Association certificate.

23 (v) Participation in a registered apprenticeship.

24 (4) A regional strategic plan must be approved by the career
25 and educational advisory council before submission to the
26 department. A regional strategic plan must include, but is not
27 limited to, the following:

28 (a) An identification of regional employer need based on a
29 ranking of all career clusters in the workforce development board



1 service delivery area ranked by 10-year projections of annual job
2 openings and median wage for each standard occupational code in
3 each career cluster as obtained from the United States Bureau of
4 Labor Statistics. Standard occupational codes within high-ranking
5 clusters also may be further ranked by median wage and annual job
6 openings. The career and educational advisory council located in
7 the workforce development board service delivery area shall review
8 the rankings and modify them if necessary to accurately reflect
9 employer demand for talent in the workforce development board
10 service delivery area. A career and educational advisory council
11 shall document that it has conducted this review and certify that
12 it is accurate. These career cluster rankings must be determined
13 and updated once every 4 years.

14 (b) An identification of educational entities in the workforce
15 development board service delivery area that will provide eligible
16 CTE early middle college and CTE dual enrollment programs including
17 districts, intermediate districts, postsecondary institutions, and
18 noncredit occupational training programs leading to an industry-
19 recognized credential.

20 (c) A strategy to inform parents and students of CTE early
21 middle college and CTE dual enrollment programs in the workforce
22 development board service delivery area.

23 (d) Any other requirements as defined by the department.

24 (5) An eligible CTE program is a program that meets all of the
25 following:

26 (a) Has been identified in the highest 5 career cluster
27 rankings in any of the 16 workforce development board service
28 delivery area strategic plans jointly approved by the department of
29 labor and economic opportunity and the department.



(b) Has a coherent sequence of courses in a specific career cluster that will allow a student to earn a high school diploma and achieve at least 1 of the following:

(i) For CTE early middle college, outcomes as defined in subsection (3)(f).

(ii) For CTE dual enrollment, 1 of the following:

(A) An associate degree.

(B) An industry-recognized technical certification approved by the department of labor and economic opportunity.

(C) Up to 60 transferable college credits.

(D) Participation in a registered apprenticeship, pre-apprenticeship, or apprentice readiness program.

(c) Is aligned with the Michigan merit curriculum.

(d) Has an articulation or a college credit agreement with at least 1 postsecondary institution that provides students with opportunities to receive postsecondary credits during the student's participation in the CTE early middle college or CTE dual enrollment program and transfers those credits to the postsecondary institution upon completion of the CTE early middle college or CTE dual enrollment program.

(e) Provides instruction that is supervised, directed, or coordinated by an appropriately certificated CTE teacher or, for concurrent enrollment courses, a postsecondary faculty member.

(f) Provides for highly integrated student support services that include at least the following:

(i) Teachers as academic advisors.

(ii) Supervised course selection.

(iii) Monitoring of student progress and completion.

(iv) Career planning services provided by a local one-stop



1 service center as described in the Michigan works one-stop service
2 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a
3 high school counselor or advisor.

4 (g) Has courses that are taught on a college campus, are
5 college courses offered at the high school and taught by college
6 faculty, or are courses taught in combination with online
7 instruction.

8 (6) The department shall distribute funds to eligible CTE
9 early middle college and CTE dual enrollment programs as follows:

10 (a) The department shall determine statewide average CTE costs
11 per pupil for each CIP code program by calculating statewide
12 average costs for each CIP code program for the 3 most recent
13 fiscal years.

14 (b) The distribution to each eligible CTE early middle college
15 or CTE dual enrollment program is the product of 50% of CTE costs
16 per pupil times the pupil enrollment of each eligible CTE early
17 middle college or CTE dual enrollment program in the immediately
18 preceding school year.

19 (7) In order to receive funds under this section, a CTE early
20 middle college or CTE dual enrollment program shall furnish to the
21 intermediate district that is the fiscal agent identified in
22 subsection (2), in a form and manner determined by the department,
23 all information needed to administer this program and meet federal
24 reporting requirements; shall allow the department or the
25 department's designee to review all records related to the program
26 for which it receives funds; and shall reimburse the state for all
27 disallowances found in the review, as determined by the department.

28 (8) There is allocated for ~~2021-2022~~**2022-2023** from the funds
29 under subsection (1) an amount not to exceed \$500,000.00 from the



1 state school aid fund allocation for grants to intermediate
2 districts or consortia of intermediate districts for the purpose of
3 planning for new or expanded early middle college programs.
4 Applications for grants must be submitted in a form and manner
5 determined by the department. The amount of a grant under this
6 subsection must not exceed \$50,000.00. To be eligible for a grant
7 under this subsection, an intermediate district or consortia of
8 intermediate districts must provide matching funds equal to the
9 grant received under this subsection. Notwithstanding section 17b,
10 the department shall make payments under this subsection in the
11 manner determined by the department.

12 (9) Funds distributed under this section may be used to fund
13 program expenditures that would otherwise be paid from foundation
14 allowances. A program receiving funding under section 61a may
15 receive funding under this section for allowable costs that exceed
16 the reimbursement the program received under section 61a. The
17 combined payments received by a program under section 61a and this
18 section must not exceed the total allowable costs of the program. A
19 program provider shall not use more than 5% of the funds allocated
20 under this section to the program for administrative costs.

21 (10) If the allocation under subsection (1) is insufficient to
22 fully fund payments as otherwise calculated under this section, the
23 department shall prorate payments under this section on an equal
24 percentage basis.

25 (11) If pupils enrolled in a career cluster in an eligible CTE
26 early middle college or CTE dual enrollment program qualify to be
27 reimbursed under this section, those pupils continue to qualify for
28 reimbursement until graduation, even if the career cluster is no
29 longer identified as being in the highest 5 career cluster



1 rankings.

2 (12) As used in this section:

3 (a) "Allowable costs" means those costs directly attributable
4 to the program as jointly determined by the department of labor and
5 economic opportunity and the department.

6 (b) "Career and educational advisory council" means an
7 advisory council to the local workforce development boards located
8 in a workforce development board service delivery area consisting
9 of educational, employer, labor, and parent representatives.

10 (c) "CIP" means classification of instructional programs.

11 (d) "CTE" means career and technical education programs.

12 (e) "CTE dual enrollment program" means a 4-year high school
13 program of postsecondary courses offered by eligible postsecondary
14 educational institutions that leads to an industry-recognized
15 certification or degree.

16 (f) "Early middle college program" means a 5-year high school
17 program.

18 (g) "Eligible postsecondary educational institution" means
19 that term as defined in section 3 of the career and technical
20 preparation act, 2000 PA 258, MCL 388.1903.

21 Sec. 61c. (1) From the general fund money appropriated in
22 section 11, there is allocated for ~~2021-2022~~ **2022-2023** an amount
23 not to exceed \$7,500,000.00 to eligible career education planning
24 districts for the ~~CTE skilled trades initiative described in~~
25 ~~subsections (2) to (5).~~ **purposes described in this section.** To be
26 eligible to receive funding under this section, at least 50% of the
27 area served by a CEPD must be located in an intermediate district
28 that did not levy a vocational education millage in ~~2021.~~ **2022.**

29 (2) To receive funding under subsection (1), each eligible



1 CEPD must apply in a form and manner prescribed by the department.
2 Funding to each eligible CEPD must be equal to the quotient of the
3 allocation under subsection (1) and the sum of the number of career
4 education planning districts applying for funding under subsection
5 (1) that are located in an intermediate district that did not levy
6 a vocational education millage in ~~2021~~.2022.

7 (3) At least 50% of the funding allocated to each eligible
8 CEPD must be used to update equipment in current CTE programs that
9 have been identified in the highest 5 career cluster rankings in
10 the most recent CEPD regional strategic plans jointly approved by
11 the Michigan talent investment agency in the department of labor
12 and economic opportunity and the department, for training on new
13 equipment, for professional development relating to computer
14 science or coding, or for new and emerging certified CTE programs
15 to allow CEPD administrators to provide programming in communities
16 that will enhance economic development. The funding for equipment
17 should be used to support and enhance community areas that have
18 sustained job growth, and act as a commitment to build a more
19 qualified and skilled workforce. In addition, each CEPD is
20 encouraged to explore the option of leasing equipment from local
21 private industry to encourage the use of the most advanced
22 equipment.

23 (4) The allocation of funds at the local level must be
24 determined by CEPD administrators using data from the state,
25 region, and local sources to make well-informed decisions on
26 program equipment improvements. Grants awarded by CEPD
27 administrators for capital infrastructure must be used to ensure
28 that CTE programs can deliver educational programs in high-wage,
29 high-skill, and high-demand occupations. Each CEPD shall continue



1 to ensure that program advisory boards make recommendations on
 2 needed improvements for equipment that support job growth and job
 3 skill development and retention for both the present and the
 4 future.

5 (5) Not later than September 15 of each fiscal year, each CEPD
 6 receiving funding shall annually report to the department, the
 7 senate and house appropriations subcommittees on school aid, the
 8 senate and house fiscal agencies, and legislature on equipment
 9 purchased under subsection (1). In addition, the report must
 10 identify growth data on program involvement, retention, and
 11 development of student skills.

12 (6) As used in this section:

13 (a) "CEPD" means a career education planning district
 14 described in this section.

15 (b) "CTE" means career and technical education.

16 Sec. 61d. (1) From the ~~appropriation~~ **state school aid fund**
 17 **money appropriated** in section 11, there is allocated for ~~2021-2022~~
 18 **2022-2023** an amount not to exceed \$5,000,000.00 ~~from the state~~
 19 ~~school aid fund~~ for additional payments to districts for career and
 20 technical education programs for the purpose of increasing the
 21 number of Michigan residents with high-quality degrees or
 22 credentials, and to increase the number of pupils who are college-
 23 and career-ready upon high school graduation.

24 (2) The department shall calculate payments to districts under
 25 this section in the following manner:

26 (a) A payment of \$35.00 multiplied by the number of pupils in
 27 grades 9 to 12 who are counted in membership in the district and
 28 are enrolled in at least 1 career and technical education program.

29 (b) An additional payment of \$35.00 multiplied by the number



1 of pupils in grades 9 to 12 who are counted in membership in the
 2 district and are enrolled in at least 1 career and technical
 3 education program that provides instruction in critical skills and
 4 high-demand career fields.

5 (3) If the allocation under subsection (1) is insufficient to
 6 fully fund payments under subsection (2), the department shall
 7 prorate payments under this section on an equal per-pupil basis.

8 **(4) If a student attends a career and technical education**
 9 **program at an intermediate district, the payment under subsection**
 10 **(2) attributable to that student must be split equally between the**
 11 **intermediate district providing the program and the district that**
 12 **counts the student in membership.**

13 (5) ~~(4)~~—As used in this section:

14 (a) "Career and technical education program" means a state-
 15 approved career and technical education program, as determined by
 16 the department.

17 (b) "Career and technical education program that provides
 18 instruction in critical skills and high-demand career field" means
 19 a career and technical education program classified under any of
 20 the following 2-digit classification of instructional programs
 21 (CIP) codes:

22 (i) 01, which refers to "agriculture, agriculture operations,
 23 and related sciences".

24 (ii) 03, which refers to "natural resources and conservation".

25 (iii) 10 through 11, which refers to "communications
 26 technologies/technicians and support services" and "computer and
 27 information sciences and support services".

28 (iv) 14 through 15, which refers to "engineering" and
 29 "engineering technologies and engineering-related fields".



1 (v) 26, which refers to "biological and biomedical sciences".

2 (vi) 46 through 48, which refers to "construction trades",
3 "mechanic and repair technologies/technicians", and "precision
4 production".

5 (vii) 51, which refers to "health professions and related
6 programs".

7 Sec. 62. (1) For the purposes of this section:

8 (a) "Membership" means for a particular fiscal year the total
9 membership of the intermediate district and the districts
10 constituent to the intermediate district or the total membership of
11 the area vocational-technical program, except that if a district
12 has elected not to come under sections 681 to 690 of the revised
13 school code, MCL 380.681 to 380.690, the membership of that
14 district are not included in the membership of the intermediate
15 district. However, the membership of a district that has elected
16 not to come under sections 681 to 690 of the revised school code,
17 MCL 380.681 to 380.690, is included in the membership of the
18 intermediate district if the district meets both of the following:

19 (i) The district operates the area vocational-technical
20 education program pursuant to a contract with the intermediate
21 district.

22 (ii) The district contributes an annual amount to the operation
23 of the program that is commensurate with the revenue that would
24 have been raised for operation of the program if millage were
25 levied in the district for the program under sections 681 to 690 of
26 the revised school code, MCL 380.681 to 380.690.

27 (b) "Millage levied" means the millage levied for area
28 vocational-technical education under sections 681 to 690 of the
29 revised school code, MCL 380.681 to 380.690, including a levy for



1 debt service obligations incurred as the result of borrowing for
 2 capital outlay projects and in meeting capital projects fund
 3 requirements of area vocational-technical education.

4 (c) "Taxable value" means the total taxable value of the
 5 districts constituent to an intermediate district or area
 6 vocational-technical education program, except that if a district
 7 has elected not to come under sections 681 to 690 of the revised
 8 school code, MCL 380.681 to 380.690, the taxable value of that
 9 district is not included in the taxable value of the intermediate
 10 district. However, the taxable value of a district that has elected
 11 not to come under sections 681 to 690 of the revised school code,
 12 MCL 380.681 to 380.690, is included in the taxable value of the
 13 intermediate district if the district meets both of the following:

14 (i) The district operates the area vocational-technical
 15 education program pursuant to a contract with the intermediate
 16 district.

17 (ii) The district contributes an annual amount to the operation
 18 of the program that is commensurate with the revenue that would
 19 have been raised for operation of the program if millage were
 20 levied in the district for the program under sections 681 to 690 of
 21 the revised school code, MCL 380.681 to 380.690.

22 (2) From the appropriation in section 11, there is allocated
 23 an amount not to exceed \$9,190,000.00 ~~each fiscal year for 2020-~~
 24 ~~2021 and for 2021-2022-2022-2023~~ to reimburse intermediate
 25 districts and area vocational-technical education programs
 26 established under section 690(3) of the revised school code, MCL
 27 380.690, levying millages for area vocational-technical education
 28 under sections 681 to 690 of the revised school code, MCL 380.681
 29 to 380.690. The purpose, use, and expenditure of the reimbursement



are limited as if the funds were generated by those millages.

~~(3) Reimbursement for those millages levied in 2019-2020 is made in 2020-2021 at an amount per 2019-2020 membership pupil computed by subtracting from \$218,700.00 the 2019-2020 taxable value behind each membership pupil and multiplying the resulting difference by the 2019-2020 millage levied, and then subtracting from that amount the 2019-2020 local community stabilization share revenue for area vocational technical education behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.~~

(3) (4) Reimbursement for those millages levied in 2020-2021 2021-2022 is made in 2021-2022-2022-2023 at an amount per 2020-2021 2021-2022 membership pupil computed by subtracting from \$224,800.00 \$235,000.00 the 2020-2021-2021-2022 taxable value behind each membership pupil and multiplying the resulting difference by the 2020-2021-2021-2022 millage levied, and then subtracting from that amount the 2020-2021-2021-2022 local community stabilization share revenue for area vocational technical education and 2021-2022 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

(4) (5) The department shall ensure that the amount paid to a



1 single intermediate district under this section does not exceed
2 38.4% of the total amount allocated under subsection (2).

3 (5) ~~(6)~~—The department shall ensure that the amount paid to a
4 single intermediate district under this section is not less than
5 75% of the amount allocated to the intermediate district under this
6 section for the immediately preceding fiscal year.

7 Sec. 65. (1) From the appropriation under section 11, there is
8 allocated an amount not to exceed \$400,000.00 for ~~2021-2022-2022-~~
9 **2023** for a pre-college engineering K-12 educational program that is
10 focused on the development of a diverse future Michigan workforce,
11 that serves multiple communities within southeast Michigan, that
12 enrolls pupils from multiple districts, and that received funds
13 appropriated for this purpose in the appropriations act that
14 provided the Michigan strategic fund budget for 2014-2015.

15 (2) To be eligible for funding under this section, a program
16 must have the ability to expose pupils to, and motivate and prepare
17 pupils for, science, technology, engineering, and mathematics
18 careers and postsecondary education with special attention given to
19 groups of pupils who are at-risk and underrepresented in technical
20 professions and careers.

21 Sec. 67. (1) From the general fund money appropriated in
22 section 11, there is allocated an amount not to exceed
23 \$3,000,000.00 for ~~2021-2022-2022-2023~~ for college access programs.
24 The programs funded under this section are intended to inform
25 students of college and career options and to provide resources
26 intended to increase the number of pupils who are adequately
27 prepared with the information needed to make informed decisions on
28 college and career. The funds appropriated under this section are
29 intended to be used to increase the number of Michigan residents



1 with high-quality degrees or credentials. Funds appropriated under
2 this section must not be used to supplant funding for counselors
3 already funded by districts.

4 (2) The department of labor and economic opportunity shall
5 administer funds allocated under this section in collaboration with
6 the Michigan college access network. These funds may be used for
7 any of the following purposes:

8 (a) Michigan college access network operations, programming,
9 and services to local college access networks.

10 (b) Local college access networks, which are community-based
11 college access/success partnerships committed to increasing the
12 college participation and completion rates within geographically
13 defined communities through a coordinated strategy.

14 (c) The Michigan college advising program, a program intended
15 to place trained, recently graduated college advisors in high
16 schools that serve significant numbers of low-income and first-
17 generation college-going pupils. State funds used for this purpose
18 may not exceed 33% of the total funds available under this
19 subsection.

20 (d) Subgrants of up to \$5,000.00 to districts with
21 comprehensive high schools that establish a college access team and
22 implement specific strategies to create a college-going culture in
23 a high school in a form and manner approved by the Michigan college
24 access network and the department of labor and economic
25 opportunity.

26 (e) The Michigan college access portal, an online one-stop
27 portal to help pupils and families plan and apply for college.

28 (f) Public awareness and outreach campaigns to encourage low-
29 income and first-generation college-going pupils to take necessary



1 steps toward college and to assist pupils and families in
2 completing a timely and accurate free application for federal
3 student aid.

4 (g) Subgrants to postsecondary institutions to recruit, hire,
5 and train college student mentors and college advisors to assist
6 high school pupils in navigating the postsecondary planning and
7 enrollment process.

8 (3) For the purposes of this section, "college" means any
9 postsecondary educational opportunity that leads to a career,
10 including, but not limited to, a postsecondary degree, industry-
11 recognized technical certification, or registered apprenticeship.

12 Sec. 67a. (1) From the general fund money appropriated under
13 section 11, there is allocated an amount not to exceed \$50,000.00
14 for ~~2021-2022~~**2022-2023** for a grant to be distributed by the
15 department to an organization to provide industrial and
16 technological education and workforce preparation for students and
17 professional development opportunities and support for teachers.

18 (2) Notwithstanding section 17b, the department shall make
19 grant payments under this section on a schedule determined by the
20 department.

21 **Sec. 67c. (1) From the general fund money appropriated in**
22 **section 11, there is allocated for 2022-2023 an amount not to**
23 **exceed \$3,000,000.00 to Michigan State University as prescribed in**
24 **this section.**

25 (2) **Michigan State University shall use the funding it**
26 **receives under subsection (1) to recruit participants for and to**
27 **provide stipends for basic living expenses to participants in a**
28 **developer academy at Michigan State University that, at a minimum,**
29 **does all of the following:**



1 (a) Provides individuals age 18 or older with a 1-year program
2 focused on coding, design, entrepreneurship, and essential
3 professional skills.

4 (b) Provides the individuals described in subdivision (a) the
5 opportunity to become world-class developers.

6 (c) Provides the individuals described in subdivision (a) the
7 opportunity to work on real-world challenges and connect with
8 community and industry partners.

9 (d) Provides a month-long foundation program throughout the
10 year designed for learners considering app economy careers who are
11 also interested in learning more about app development generally.

12 (e) Provides the services described in subdivisions (a) to (d)
13 without charging participants tuition or fees.

14 (3) In determining the amount of each stipend described in
15 subsection (2), Michigan State University shall, based on the
16 federal free application for federal student aid (FAFSA) form,
17 determine the participant's estimated family contribution and
18 compare that to the participant's indirect opportunity cost.

19 (4) As used in this section, "opportunity cost" means the
20 income a participant foregoes by not working at minimum-wage levels
21 due to his or her attendance in the developer academy described in
22 this section.

23 (5) Notwithstanding section 17b, the department shall make
24 payments under this section on a schedule determined by the
25 department.

26 Sec. 67d. (1) From the general fund money appropriated in
27 section 11, there is allocated for 2022-2023 an amount not to
28 exceed \$100.00 to, through a grant program administered by the
29 department, an eligible state-approved 501(c)(3) organization to



1 teach or train restaurant management, culinary arts or hospitality,
 2 and tourism management as part of career and professional
 3 development.

4 (2) As used in this section, "eligible state-approved
 5 501(c)(3) organization" means an organization that is exempt from
 6 taxation under section 501(c)(3) of the internal revenue code of
 7 1986, 26 USC 501, that provides either the ProStart or Hospitality
 8 Tourism Management curriculum and training to state-approved career
 9 and technical education programs with classification of
 10 instructional programs (CIP) codes in the 12.05xx or 52.09xx and
 11 that administers national certification for the purposes of
 12 restaurant management, culinary arts or hospitality, or tourism
 13 management in becoming a hospitality and tourism specialist as part
 14 of career and professional development.

15 Sec. 74. (1) From the state school aid fund money appropriated
 16 in section 11, there is allocated an amount not to exceed
 17 ~~\$3,805,800.00~~ **\$3,844,200.00** for ~~2021-2022~~ **2022-2023** for the
 18 purposes of this section.

19 (2) From the allocation in subsection (1), there is allocated
 20 for ~~2021-2022~~ **2022-2023** the amount necessary for payments to state
 21 supported colleges or universities and intermediate districts
 22 providing school bus driver safety instruction under section 51 of
 23 the pupil transportation act, 1990 PA 187, MCL 257.1851. The
 24 department shall make payments in an amount determined by the
 25 department not to exceed the actual cost of instruction and driver
 26 compensation for each public or nonpublic school bus driver
 27 attending a course of instruction. For the purpose of computing
 28 compensation, the hourly rate allowed each school bus driver must
 29 not exceed the hourly rate received for driving a school bus. The



1 department shall make reimbursement compensating the driver during
2 the course of instruction to the college or university or
3 intermediate district providing the course of instruction.

4 (3) From the allocation in subsection (1), there is allocated
5 for ~~2021-2022~~**2022-2023** the amount necessary to pay the reasonable
6 costs of nonspecial education auxiliary services transportation
7 provided under section 1323 of the revised school code, MCL
8 380.1323. Districts funded under this subsection do not receive
9 funding under any other section of this article for nonspecial
10 education auxiliary services transportation.

11 (4) From the funds allocated in subsection (1), there is
12 allocated an amount not to exceed ~~\$1,780,800.00~~**\$1,819,200.00** for
13 ~~2021-2022~~**2022-2023** for reimbursement to districts and intermediate
14 districts for costs associated with the inspection of school buses
15 and pupil transportation vehicles by the department of state police
16 as required under section 715a of the Michigan vehicle code, 1949
17 PA 300, MCL 257.715a, and section 39 of the pupil transportation
18 act, 1990 PA 187, MCL 257.1839. The department of state police
19 shall prepare a statement of costs attributable to each district
20 for which bus inspections are provided and submit it to the
21 department and to an intermediate district serving as fiduciary in
22 a time and manner determined jointly by the department and the
23 department of state police. Upon review and approval of the
24 statement of cost, the department shall forward to the designated
25 intermediate district serving as fiduciary the amount of the
26 reimbursement on behalf of each district and intermediate district
27 for costs detailed on the statement within 45 days after receipt of
28 the statement. The designated intermediate district shall make
29 payment in the amount specified on the statement to the department



1 of state police within 45 days after receipt of the statement. The
 2 total reimbursement of costs under this subsection must not exceed
 3 the amount allocated under this subsection. Notwithstanding section
 4 17b, the department shall make payments to eligible entities under
 5 this subsection on a schedule prescribed by the department.

6 Sec. 81. (1) From the state school aid fund money appropriated
 7 in section 11, there is allocated for ~~2020-2021-2021-2022~~ to the
 8 intermediate districts the sum necessary, but not to exceed
 9 ~~\$69,138,000.00, \$71,903,600.00~~, and there is allocated for ~~2021-~~
 10 ~~2022-2022-2023~~ to the intermediate districts the sum necessary, but
 11 not to exceed \$71,903,600.00 to provide state aid to intermediate
 12 districts under this section.

13 (2) The amount allocated under this section for ~~2020-2021~~
 14 ~~2021-2022~~ to each intermediate district is an amount equal to ~~100%~~
 15 ~~104%~~ of the amount allocated to the intermediate district under
 16 this section for ~~2019-2020. 2020-2021~~. The amount allocated under
 17 this section for ~~2021-2022-2022-2023~~ to each intermediate district
 18 is an amount equal to ~~104%-100%~~ of the amount allocated to the
 19 intermediate district under this section for ~~2020-2021. 2021-2022~~.
 20 An intermediate district shall use funding provided under this
 21 section to comply with requirements of this article and the revised
 22 school code that are applicable to intermediate districts, and for
 23 which funding is not provided elsewhere in this article, and to
 24 provide technical assistance to districts as authorized by the
 25 intermediate school board.

26 (3) Intermediate districts receiving funds under this section
 27 shall collaborate with the department to develop expanded
 28 professional development opportunities for teachers to update and
 29 expand their knowledge and skills needed to support the Michigan



1 merit curriculum.

2 (4) From the allocation in subsection (1), there is allocated
3 to an intermediate district, formed by the consolidation or
4 annexation of 2 or more intermediate districts or the attachment of
5 a total intermediate district to another intermediate district or
6 the annexation of all of the constituent K-12 districts of a
7 previously existing intermediate district which has disorganized,
8 an additional allotment of \$3,500.00 each fiscal year for each
9 intermediate district included in the new intermediate district for
10 3 years following consolidation, annexation, or attachment.

11 (5) In order to receive funding under this section, an
12 intermediate district shall do all of the following:

13 (a) Demonstrate to the satisfaction of the department that the
14 intermediate district employs at least 1 person who is trained in
15 pupil accounting and auditing procedures, rules, and regulations.

16 (b) Demonstrate to the satisfaction of the department that the
17 intermediate district employs at least 1 person who is trained in
18 rules, regulations, and district reporting procedures for the
19 individual-level student data that serves as the basis for the
20 calculation of the district and high school graduation and dropout
21 rates.

22 (c) Comply with sections 1278a and 1278b of the revised school
23 code, MCL 380.1278a and 380.1278b.

24 (d) Furnish data and other information required by state and
25 federal law to the center and the department in the form and manner
26 specified by the center or the department, as applicable.

27 (e) Comply with section 1230g of the revised school code, MCL
28 380.1230g.

29 (f) Provide advice, guidance, and leadership to assist all



districts located within its geographic boundaries to assist in the preparedness and response efforts toward addressing COVID-19. At a minimum, this must include the coordination and collaboration with any local public health agency that has jurisdiction within the intermediate district's geographic boundaries and may include the coordination of bulk purchasing of personal protective equipment, technology, or other products or services necessary for students to return to school. ~~An~~ **In addition, an** intermediate district shall ensure that all districts located within its geographic boundaries have equitable access to the intermediate district's coordination activities and services, intermediate district-wide or regional meetings, regularly scheduled superintendent meetings, programming, events, or other coordination or collaboration activities. In ensuring that all districts located within the geographic boundaries of the intermediate district have equitable access to services, meetings, programming, events, or activities as described in the immediately preceding sentence, the intermediate district shall ensure that districts that are public school academies that are located within its geographic boundaries are not excluded from said services, meetings, programming, events, **email distribution lists, listservs,** or activities **organized by or hosted at the intermediate district** if districts that are not public school academies that are located within the geographic boundaries of the intermediate district are not excluded.

Sec. 94. (1) From the general fund money appropriated in section 11, there is allocated to the department for ~~2021-2022~~ **2022-2023** an amount not to exceed \$1,200,000.00 for efforts to increase the number of pupils who participate and succeed in advanced placement and international baccalaureate programs, and to



1 support the college-level examination program (CLEP).

2 (2) From the funds allocated under this section, the
3 department shall award funds to cover all or part of the costs of
4 advanced placement test fees or international baccalaureate test
5 fees and international baccalaureate registration fees for low-
6 income pupils who take an advanced placement or an international
7 baccalaureate test and CLEP fees for low-income pupils who take a
8 CLEP test.

9 (3) The department shall only award funds under this section
10 if the department determines that all of the following criteria are
11 met:

12 (a) Each pupil for whom payment is made meets eligibility
13 requirements of the federal advanced placement test fee program
14 under ~~section 1701 of the no child left behind act of 2001, Public~~
15 ~~Law 107-110, or under a corresponding provision of the every~~
16 ~~student succeeds act, Public Law 114-95, as applicable.~~

17 (b) The tests are administered by the college board, the
18 international baccalaureate organization, or another test provider
19 approved by the department.

20 (c) The pupil for whom payment is made pays at least \$5.00
21 toward the cost of each test for which payment is made.

22 (4) The department shall establish procedures for awarding
23 funds under this section.

24 (5) Notwithstanding section 17b, the department shall make
25 payments under this section on a schedule determined by the
26 department.

27 Sec. 94a. (1) There is created within the state budget office
28 in the department of technology, management, and budget the center
29 for educational performance and information. The center shall do



1 all of the following:

2 (a) Coordinate the collection of all data required by state
3 and federal law from districts, intermediate districts, and
4 postsecondary institutions.

5 (b) Create, maintain, and enhance this state's P-20
6 longitudinal data system and ensure that it meets the requirements
7 of subsection (4).

8 (c) Collect data in the most efficient manner possible in
9 order to reduce the administrative burden on reporting entities,
10 including, but not limited to, electronic transcript services.

11 (d) Create, maintain, and enhance this state's web-based
12 educational portal to provide information to school leaders,
13 teachers, researchers, and the public in compliance with all
14 federal and state privacy laws. Data must include, but are not
15 limited to, all of the following:

16 (i) Data sets that link teachers to student information,
17 allowing districts to assess individual teacher impact on student
18 performance and consider student growth factors in teacher and
19 principal evaluation systems.

20 (ii) Data access or, if practical, data sets, provided for
21 regional data hubs that, in combination with local data, can
22 improve teaching and learning in the classroom.

23 (iii) Research-ready data sets for researchers to perform
24 research that advances this state's educational performance.

25 (e) Provide data in a useful manner to allow state and local
26 policymakers to make informed policy decisions.

27 (f) Provide public reports to the residents of this state to
28 allow them to assess allocation of resources and the return on
29 their investment in the education system of this state.



(g) Other functions as assigned by the state budget director.

(2) Each state department, officer, or agency that collects information from districts, intermediate districts, or postsecondary institutions as required under state or federal law shall make arrangements with the center to ensure that the state department, officer, or agency is in compliance with subsection (1). This subsection does not apply to information collected by the department of treasury under the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL 380.1351a.

(3) The center may enter into any interlocal agreements necessary to fulfill its functions.

(4) The center shall ensure that the P-20 longitudinal data system required under subsection (1)(b) meets all of the following:

(a) Includes data at the individual student level from preschool through postsecondary education and into the workforce.

(b) Supports interoperability by using standard data structures, data formats, and data definitions to ensure linkage and connectivity in a manner that facilitates the exchange of data among agencies and institutions within the state and between states.

(c) Enables the matching of individual teacher and student records so that an individual student may be matched with those teachers providing instruction to that student.

(d) Enables the matching of individual teachers with information about their certification and the institutions that



1 prepared and recommended those teachers for state certification.

2 (e) Enables data to be easily generated for continuous
3 improvement and decision-making, including timely reporting to
4 parents, teachers, and school leaders on student achievement.

5 (f) Ensures the reasonable quality, validity, and reliability
6 of data contained in the system.

7 (g) Provides this state with the ability to meet federal and
8 state reporting requirements.

9 (h) For data elements related to preschool through grade 12
10 and postsecondary, meets all of the following:

11 (i) Contains a unique statewide student identifier that does
12 not permit a student to be individually identified by users of the
13 system, except as allowed by federal and state law.

14 (ii) Contains student-level enrollment, demographic, and
15 program participation information.

16 (iii) Contains student-level information about the points at
17 which students exit, transfer in, transfer out, drop out, or
18 complete education programs.

19 (iv) Has the capacity to communicate with higher education data
20 systems.

21 (i) For data elements related to preschool through grade 12
22 only, meets all of the following:

23 (i) Contains yearly test records of individual students for
24 assessments approved by DED-OESE for accountability purposes under
25 section 1111(b) of the elementary and secondary education act of
26 1965, 20 USC 6311, including information on individual students not
27 tested, by grade and subject.

28 (ii) Contains student-level transcript information, including
29 information on courses completed and grades earned.



(iii) Contains student-level college readiness test scores.

(j) For data elements related to postsecondary education only:

(i) Contains data that provide information regarding the extent to which individual students transition successfully from secondary school to postsecondary education, including, but not limited to, all of the following:

(A) Enrollment in remedial coursework.

(B) Completion of 1 year's worth of college credit applicable to a degree within 2 years of enrollment.

(ii) Contains data that provide other information determined necessary to address alignment and adequate preparation for success in postsecondary education.

(5) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$18,802,500.00~~ **\$19,032,300.00** for ~~2021-2022-2022-2023~~ to the department of technology, management, and budget to support the operations of the center. In addition, from the federal funds appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ the amount necessary, estimated at \$193,500.00, to support the operations of the center and to establish a P-20 longitudinal data system necessary for state and federal reporting purposes. The center shall cooperate with the department to ensure that this state is in compliance with federal law and is maximizing opportunities for increased federal funding to improve education in this state.

(6) From the funds allocated in subsection (5), the center may use an amount determined by the center for competitive grants for ~~2021-2022-2022-2023~~ to support collaborative efforts on the P-20 longitudinal data system. All of the following apply to grants awarded under this subsection:



1 (a) The center shall award competitive grants to eligible
2 intermediate districts or a consortium of intermediate districts
3 based on criteria established by the center.

4 (b) Activities funded under the grant must support the P-20
5 longitudinal data system portal and may include portal hosting,
6 hardware and software acquisition, maintenance, enhancements, user
7 support and related materials, and professional learning tools and
8 activities aimed at improving the utility of the P-20 longitudinal
9 data system.

10 (c) An applicant that received a grant under this subsection
11 for the immediately preceding fiscal year has priority for funding
12 under this section. However, after 3 fiscal years of continuous
13 funding, an applicant is required to compete openly with new
14 applicants.

15 (7) Funds allocated under this section that are not expended
16 in the fiscal year in which they were allocated may be carried
17 forward to a subsequent fiscal year and are appropriated for the
18 purposes for which the funds were originally allocated.

19 (8) The center may bill departments as necessary in order to
20 fulfill reporting requirements of state and federal law. The center
21 may also enter into agreements to supply custom data, analysis, and
22 reporting to other principal executive departments, state agencies,
23 local units of government, and other individuals and organizations.
24 The center may receive and expend funds in addition to those
25 authorized in subsection (5) to cover the costs associated with
26 salaries, benefits, supplies, materials, and equipment necessary to
27 provide such data, analysis, and reporting services.

28 (9) As used in this section, "DED-OESE" means the United
29 States Department of Education Office of Elementary and Secondary



1 Education.

2 Sec. 95b. (1) From the general fund money appropriated under
3 section 11, there is allocated an amount not to exceed
4 ~~\$2,000,000.00~~ **\$100.00** for ~~2021-2022~~ **2022-2023** for the model value-
5 added growth and projection analytics system. The department shall
6 continue the model value-added growth and projection analytics
7 system and incorporate that model into its reporting requirements
8 under the every student succeeds act, Public Law 114-95. The model
9 described in this subsection must do at least all of the following:

10 (a) Utilize existing assessments and any future assessments
11 that are suitable for measuring student growth.

12 (b) Report student growth measures at the district, school,
13 teacher, and subgroup levels.

14 (c) Recognize the growth of tested students, including those
15 who may have missing assessment data.

16 (d) Include all available prior standardized assessment data
17 that meet inclusion criteria across grades, subjects, and state and
18 local assessments.

19 (e) Allow student growth results to be disaggregated.

20 (f) Provide individual student projections showing the
21 probability of a student reaching specific performance levels on
22 future assessments. Given school closures and extended
23 cancellations related to COVID-19, the data under this subdivision
24 may be used to inform decisions about student placement or students
25 that could benefit from additional supports or interventions.

26 (g) Demonstrate any prior success with this state's
27 assessments through the Michigan council of educator effectiveness
28 teacher evaluation pilot.

29 (h) Demonstrate prior statewide implementation in at least 2



1 other states for at least 10 years.

2 (i) Have a native roster verification system built into the
3 value-added reporting platform that has been implemented statewide
4 in at least 2 other states.

5 (j) Have a "help/contact us" ticketing system built into the
6 value-added reporting platform.

7 (k) Given school closures that have occurred pursuant to an
8 executive order issued by the governor, the value-added reporting
9 platform must provide continued hosting and delivery of reporting
10 and offer the department additional supports in the areas of
11 research, analysis, web reporting, and training.

12 (l) The department and the platform vendor shall provide
13 statewide training for educators to understand the reporting that
14 details the impact to student learning and growth.

15 (2) The department shall provide internet-based electronic
16 student growth and projection reporting based on the model under
17 subsection (1) to educators at the school, district, and state
18 levels. The model must include role-based permissions that allow
19 educators to access information about the performance of the
20 students within their immediate responsibility in accordance with
21 applicable privacy laws.

22 (3) The model under subsection (1) must not be a mandatory
23 part of teacher evaluation or educator pay-for-performance systems.

24 (4) The model under subsection (1) must be a model that
25 received funding under this section in 2018-2019.

26 (5) By March 31, ~~2022~~, **2023**, the department shall work with
27 the center to provide a report to the senate and house
28 appropriations subcommittees on school aid and the senate and house
29 fiscal agencies regarding the number of districts that are not



1 public school academies that opted in to student-teacher linkages
2 in their use of the model value-added growth and projection
3 analytics system under this section. The report under this
4 subsection must also include verification that the value-added
5 reporting platform continued hosting and delivery of historical
6 reporting and specify any additional research and analysis offered
7 to the department.

8 Sec. 97. (1) For ~~2021-2022~~, **2022-2023**, from the state school
9 aid fund money appropriated under section 11, there is allocated an
10 amount not to exceed \$7,500,000.00 and from the general fund money
11 appropriated under section 11, there is allocated an amount not to
12 exceed \$2,500,000.00 for competitive grants to public schools,
13 nonpublic schools, districts, and intermediate districts to
14 purchase technology equipment, upgrade hardening measures, or
15 conduct school building safety assessments to improve the safety
16 and security of school buildings, pupils or students, and school
17 staff with the goal of creating a safer school environment through
18 equipment and technology enhancements. The department of state
19 police, grants and community services division, shall administer
20 the grant program described in this subsection. All grants under
21 this subsection must be funded on a reimbursement-only basis.
22 Grants under this subsection must not exceed \$50,000.00 for each
23 public school or nonpublic school and \$250,000.00 for each district
24 or intermediate district.

25 (2) All of the following apply to the application process for
26 funding under subsection (1):

27 (a) To receive funding under subsection (1), a public school,
28 nonpublic school, district, or intermediate district shall submit
29 an application for funding under subsection (1) directly to the



1 department of state police, grants and community services division.

2 (b) An application from a district or intermediate district
3 under this subsection must be for 1 or more buildings that have
4 some or all of pre-K to grade 12 classrooms and pupils.

5 (c) An applicant may submit only 1 application.

6 (d) An individual public school may submit its own application
7 but must not also be included in its district's application if the
8 district submits an application under this subsection.

9 (e) The department of state police shall award grants to
10 applicants based on eligibility, the project description, and
11 whether the project reflects the highest security need of the
12 applicant within grant funding constraints, the budget narrative,
13 the budget, project goals, objectives, and performance measures.

14 (f) The department of state police shall give priority to all
15 of the following applicants:

16 (i) Applicants seeking funding for projects that involve
17 multiple agencies working in partnership.

18 (ii) Applicants seeking funding for proposals that seek to
19 secure exterior access points of school buildings.

20 (iii) Applicants that did not receive a school safety grant in
21 the past.

22 (iv) Applicants that did not receive a grant under section 1001
23 of article XX of 2018 PA 207 or under section 115 of 2018 PA 618.

24 (g) To be awarded a grant, an applicant must demonstrate proof
25 that the public school, nonpublic school, district, or intermediate
26 district has an emergency operation plan that was updated after
27 August 1, 2017 to align with the state emergency operations plan
28 guidance and statewide school safety information policy developed
29 under section 1308 of the revised school code, MCL 380.1308.



1 (h) The department of state police shall issue grant guidance
2 and application materials, including required performance measures,
3 not later than February 1, ~~2022~~**2023**.

4 (3) The department of state police shall not award funding
5 under subsection (1) to a public school, nonpublic school,
6 district, or intermediate district in relation to the same school
7 building more than once. If a district submits an application under
8 subsection (2) relating to a school building and a public school
9 within that district also submits an application for funding in
10 relation to that same school building, the department of state
11 police shall not allocate funding under subsection (1) twice for
12 that school building. If a public school, nonpublic school,
13 district, or intermediate district submits more than 1 application,
14 the department of state police shall first consider the most recent
15 application submitted in considering funding under subsection (1).

16 (4) Eligible expenses for reimbursement under subsection (1)
17 must be consistent with the recommendations of the school safety
18 task force created by Executive Order No. 2018-5. The department of
19 state police shall list the eligible expenses in the grant guidance
20 and application materials described under subsection (2). The
21 following items are not eligible expenses for which grant funds
22 under subsection (1) may be applied:

23 (a) Weapons, including tasers.

24 (b) Personal body armor for routine use.

25 (c) Construction of new facilities.

26 (d) Costs in applying for the grant, such as consultants and
27 grant writers.

28 (e) Expenses incurred before the date of the award or after
29 the end of the performance period of the grant award.



1 (f) Personnel costs or operation costs related to a capital
2 improvement.

3 (g) Indirect costs or indirect administrative expenses.

4 (h) Travel.

5 (i) Contributions or donations.

6 (j) Management or administrative training and conferences,
7 except as otherwise preapproved by the department of state police.

8 (k) Management studies or research and development.

9 (l) Memberships and dues, except for a specific requirement of
10 the project that has been preapproved by the department of state
11 police.

12 (m) Vehicles, watercraft, or aircraft, including unmanned or
13 remotely piloted aircraft and vehicles.

14 (n) Service contracts and training beyond the performance
15 period of the grant award.

16 (o) Food, refreshments, and snacks.

17 (5) A grantee under section 1001 of article XX of 2018 PA 207
18 that is a public school, nonpublic school, district, or
19 intermediate district or a grantee under section 115 of 2018 PA 618
20 that is a public school, nonpublic school, district, or
21 intermediate district is not prohibited from applying for, and
22 receiving, a grant award under this section.

23 (6) The department of state police shall begin issuing awards
24 for grants under subsection (1) not later than May 1, ~~2022~~.**2023**. A
25 project that is awarded a grant under this section must be
26 completed by July 1, ~~2023~~.**2024**.

27 (7) The department of state police shall report on grant
28 activities under this section, including available performance
29 outcomes as identified in individual grant agreements, to the



senate and house appropriations subcommittees on state police, the senate and house fiscal agencies, and the state budget office by August 1, ~~2023-2024~~.

(8) The funds allocated for school safety grants under this section for ~~2021-2022-2022-2023~~ are a work project appropriation, and any unexpended funds for ~~2021-2022-2022-2023~~ do not lapse to the state school aid fund or general fund and are carried forward into ~~2022-2023-2023-2024~~. The purpose of the work project is to continue promoting safer school environments. The estimated completion date of the work project is July 1, ~~2023-2024~~.

(9) The department of state police shall ensure that a grant to a nonpublic school under this section is funded from the general fund money allocated under this section.

Sec. 97a. From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$1,947,000.00 for ~~2021-2022-2022-2023~~ for Michigan Virtual University to support Navigate 360.

Sec. 97c. (1) Except as otherwise provided in this subsection, from the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$11,250,000.00 and from the general fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$3,750,000.00 for grants to districts, intermediate districts, and nonpublic schools as provided under this section. The department shall ensure that a grant to a nonpublic school under this section is funded from the general fund money allocated under this section.

(2) To receive a grant under this section, a district, intermediate district, or nonpublic school shall apply for the



1 grant in a form and manner prescribed by the department.

2 (3) The department shall make grant payments from funding
3 under this section in an amount not to exceed \$2,000.00 for each
4 school operated by a district, intermediate district, or nonpublic
5 school that receives funding under this section.

6 (4) A district, intermediate district, or nonpublic school
7 that receives funding under this section shall use the funding to
8 contract with a vendor for the completion of comprehensive safety
9 and security assessments in schools operated by the district,
10 intermediate district, or nonpublic school. In contracting with a
11 vendor as described in this subsection, a district, intermediate
12 district, or nonpublic school is encouraged to prioritize
13 contracting with a vendor that meets all of the following:

14 (a) Has a well-developed and documented process for assessing
15 safety and security in schools. The process described in this
16 subdivision should include an assessment of physical security and
17 policies and procedures related to school safety and security. The
18 process described in this subdivision should also include a method
19 for assessment of the process.

20 (b) Provides actionable recommendations that are documented
21 and within best practice for standard K to 12 environments.

22 (c) Provides a description of the process described in
23 subdivision (a), including costs associated with the process.

24 (d) Has a history of assessing K to 12 schools as described in
25 subdivision (a) and the ability to provide a list of references of
26 public or nonpublic schools it has assessed.

27 (e) Is able to provide examples of findings reports that
28 include a comprehensive review of all elements of safety and
29 security that include reviews of board policies, emergency



1 operations plans, environment, exterior and interior, policy and
2 procedures, and training and equipment.

3 (f) Is able to provide ongoing assistance, including, but not
4 limited to, board presentations, community presentations, and
5 consulting, to any client to assist them in the implementation of
6 any recommendations made in a findings report and the fees
7 associated with the assistance described in this subdivision.

8 (g) Is able to provide basic qualifications for any assessors
9 that will complete assessments described in subdivision (a) on
10 behalf of the vendor, including, but not limited to, all of the
11 following qualifications:

12 (i) Education.

13 (ii) Work history.

14 (iii) Experience in assessing, as described in subdivision (a),
15 K to 12 schools.

16 (h) Contracts with subcontractors that have experience in
17 safety and security or law enforcement for the provision of
18 services.

19 (i) Contracts with subcontractors that have familiarity with
20 the department's school safety guidelines.

21 (j) Has experience in assessing safety and security in
22 programs and facilities used outside of the school day, including,
23 but not limited to, athletic facilities and programs.

24 (k) Has experience in assessing safety and security in
25 facilities and programs with specialized needs, including, but not
26 limited to, early-childhood-education facilities, special-needs
27 facilities, community-education programs, and adult-education
28 programs.

29 (5) Notwithstanding section 17b, the department shall make



1 payments under this section on a schedule determined by the
2 department.

3 Sec. 97d. (1) From the state school aid fund money
4 appropriated in section 11, \$7,500,000.00 is allocated for 2022-
5 2023, and from the general fund money appropriated in section 11,
6 \$2,500,000.00 is allocated for 2022-2023, to districts,
7 intermediate districts, and nonpublic schools for the
8 implementation of critical incidence mapping that meets the
9 criteria under subsection (3) of each school operated by the
10 district, intermediate district, or nonpublic school. The
11 department shall ensure that funding to a nonpublic school under
12 this section is funded from the general fund money allocated under
13 this section.

14 (2) To receive funding under this section, a district,
15 intermediate district, or nonpublic school must apply for the
16 funding in a form and manner prescribed by the department.

17 (3) A district, intermediate district, or nonpublic school
18 that receives funding under this section shall use the funding to
19 implement critical incidence mapping as described in subsection
20 (1). All of the following apply to the critical incidence mapping
21 described in this subsection:

22 (a) It must be compatible with platforms and applications used
23 by local, state, and federal public safety officials.

24 (b) It must not require the purchase of additional software
25 for use.

26 (c) It must include information that best assists first
27 responders in an emergency, including, but not limited to, the
28 following information:

29 (i) Building numbers.



1 (ii) Floors.

2 (iii) Suite designations.

3 (iv) Room numbers.

4 (v) Other available relevant location information for each
5 school.

6 (4) A district, intermediate district, or nonpublic school may
7 contract with a vendor for the implementation of the critical
8 incidence mapping described in subsection (1).

9 (5) Notwithstanding section 17b, the department shall make
10 payments under this section on a schedule determined by the
11 department.

12 Sec. 97e. From the general fund money appropriated in section
13 11, there is allocated \$100.00 for 2022-2023 to districts,
14 intermediate districts, and nonpublic schools to implement
15 artificial intelligence (AI) camera video feed monitoring that is
16 capable of detecting weapons in schools operated by the district,
17 intermediate district, or nonpublic school.

18 Sec. 97f. From the general fund money appropriated in section
19 11, there is allocated \$100,000.00 for 2022-2023 to the Student
20 Advocacy Center of Michigan for use on its statewide helpline for
21 families in educational crisis.

22 Sec. 98. (1) From the general fund money appropriated in
23 section 11, there is allocated an amount not to exceed
24 \$7,500,000.00 for ~~2021-2022~~ **2022-2023** for the purposes described in
25 this section. The Michigan Virtual University shall provide a
26 report to the legislature not later than November 1 of each year
27 that includes its mission, its plans, and proposed benchmarks it
28 must meet, including a plan to achieve the organizational
29 priorities identified in this section, in order to receive full



1 funding for ~~2022-2023.~~ **2023-2024**. Not later than March 1 of each
2 year, the Michigan Virtual University shall provide an update to
3 the house and senate appropriations subcommittees on school aid to
4 show the progress being made to meet the benchmarks identified.

5 (2) The Michigan Virtual University shall operate the Michigan
6 Virtual Learning Research Institute. The Michigan Virtual Learning
7 Research Institute shall do all of the following:

8 (a) Support and accelerate innovation in education through the
9 following activities:

10 (i) Test, evaluate, and recommend as appropriate new
11 technology-based instructional tools and resources.

12 (ii) Research, design, and recommend virtual education delivery
13 models for use by pupils and teachers that include age-appropriate
14 multimedia instructional content.

15 (iii) Research, develop, and recommend annually to the
16 department criteria by which cyber schools and virtual course
17 providers should be monitored and evaluated to ensure a quality
18 education for their pupils.

19 (iv) Based on pupil completion and performance data reported to
20 the department or the center from cyber schools and other virtual
21 course providers operating in this state, analyze the effectiveness
22 of virtual learning delivery models in preparing pupils to be
23 college- and career-ready and publish a report that highlights
24 enrollment totals, completion rates, and the overall impact on
25 pupils. The Michigan Virtual Learning Research Institute shall
26 submit the report to the house and senate appropriations
27 subcommittees on school aid, the state budget director, the house
28 and senate fiscal agencies, the department, districts, and
29 intermediate districts not later than March 31 of each year.



(v) Provide an extensive professional development program to at least 30,000 educational personnel, including teachers, school administrators, and school board members, that focuses on the effective integration of virtual learning into curricula and instruction. The Michigan Virtual Learning Research Institute is encouraged to work with the MiSTEM council described in section 99s to coordinate professional development of teachers in applicable fields. In addition, the Michigan Virtual Learning Research Institute and external stakeholders are encouraged to coordinate with the department for professional development in this state. Not later than December 1 of each year, the Michigan Virtual Learning Research Institute shall submit a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department on the number of teachers, school administrators, and school board members who have received professional development services from the Michigan Virtual University. The report must also identify barriers and other opportunities to encourage the adoption of virtual learning in the public education system.

(vi) Identify and share best practices for planning, implementing, and evaluating virtual and blended education delivery models with intermediate districts, districts, and public school academies to accelerate the adoption of innovative education delivery models statewide.

(b) Provide leadership for this state's system of virtual learning education by doing the following activities:

(i) Develop and report policy recommendations to the governor and the legislature that accelerate the expansion of effective virtual learning in this state's schools.



1 (ii) Provide a clearinghouse for research reports, academic
2 studies, evaluations, and other information related to virtual
3 learning.

4 (iii) Promote and distribute the most current instructional
5 design standards and guidelines for virtual teaching.

6 (iv) In collaboration with the department and interested
7 colleges and universities in this state, support implementation and
8 improvements related to effective virtual learning instruction.

9 (v) Pursue public/private partnerships that include districts
10 to study and implement competency-based technology-rich virtual
11 learning models.

12 (vi) Create a statewide network of school-based mentors serving
13 as liaisons between pupils, virtual instructors, parents, and
14 school staff, as provided by the department or the center, and
15 provide mentors with research-based training and technical
16 assistance designed to help more pupils be successful virtual
17 learners.

18 (vii) Convene focus groups and conduct annual surveys of
19 teachers, administrators, pupils, parents, and others to identify
20 barriers and opportunities related to virtual learning.

21 (viii) Produce an annual consumer awareness report for schools
22 and parents about effective virtual education providers and
23 education delivery models, performance data, cost structures, and
24 research trends.

25 (ix) Provide an internet-based platform that educators can use
26 to create student-centric learning tools and resources for sharing
27 in the state's open educational resource repository and facilitate
28 a user network that assists educators in using the content creation
29 platform and state repository for open educational resources. As



1 part of this initiative, the Michigan Virtual University shall work
2 collaboratively with districts and intermediate districts to
3 establish a plan to make available virtual resources that align to
4 Michigan's K-12 curriculum standards for use by students,
5 educators, and parents.

6 (x) Create and maintain a public statewide catalog of virtual
7 learning courses being offered by all public schools and community
8 colleges in this state. The Michigan Virtual Learning Research
9 Institute shall identify and develop a list of nationally
10 recognized best practices for virtual learning and use this list to
11 support reviews of virtual course vendors, courses, and
12 instructional practices. The Michigan Virtual Learning Research
13 Institute shall also provide a mechanism for intermediate districts
14 to use the identified best practices to review content offered by
15 constituent districts. The Michigan Virtual Learning Research
16 Institute shall review the virtual course offerings of the Michigan
17 Virtual University, and make the results from these reviews
18 available to the public as part of the statewide catalog. The
19 Michigan Virtual Learning Research Institute shall ensure that the
20 statewide catalog is made available to the public on the Michigan
21 Virtual University website and shall allow the ability to link it
22 to each district's website as provided for in section 21f. The
23 statewide catalog must also contain all of the following:

24 (A) The number of enrollments in each virtual course in the
25 immediately preceding school year.

26 (B) The number of enrollments that earned 60% or more of the
27 total course points for each virtual course in the immediately
28 preceding school year.

29 (C) The pass rate for each virtual course.



1 (xi) Support registration, payment services, and transcript
2 functionality for the statewide catalog and train key stakeholders
3 on how to use new features.

4 (xii) Collaborate with key stakeholders to examine district
5 level accountability and teacher effectiveness issues related to
6 virtual learning under section 21f and make findings and
7 recommendations publicly available.

8 (xiii) Provide a report on the activities of the Michigan
9 Virtual Learning Research Institute.

10 (3) To further enhance its expertise and leadership in virtual
11 learning, the Michigan Virtual University shall continue to operate
12 the Michigan Virtual School as a statewide laboratory and quality
13 model of instruction by implementing virtual and blended learning
14 solutions for Michigan schools in accordance with the following
15 parameters:

16 (a) The Michigan Virtual School must maintain its
17 accreditation status from recognized national and international
18 accrediting entities.

19 (b) The Michigan Virtual University shall use no more than
20 \$1,000,000.00 of the amount allocated under this section to
21 subsidize the cost paid by districts for virtual courses.

22 (c) In providing educators responsible for the teaching of
23 virtual courses as provided for in this section, the Michigan
24 Virtual School shall follow the requirements to request and assess,
25 and the department of state police shall provide, a criminal
26 history check and criminal records check under sections 1230 and
27 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
28 the same manner as if the Michigan Virtual School were a school
29 district under those sections.



1 (4) From the funds allocated under subsection (1), the
2 Michigan Virtual University shall allocate up to \$500,000.00 to
3 support the expansion of new online and blended educator
4 professional development programs.

5 (5) If the course offerings are included in the statewide
6 catalog of virtual courses under subsection (2)(b)(x), the Michigan
7 Virtual School operated by the Michigan Virtual University may
8 offer virtual course offerings, including, but not limited to, all
9 of the following:

10 (a) Information technology courses.

11 (b) College level equivalent courses, as that term is defined
12 in section 1471 of the revised school code, MCL 380.1471.

13 (c) Courses and dual enrollment opportunities.

14 (d) Programs and services for at-risk pupils.

15 (e) High school equivalency test preparation courses for
16 adjudicated youth.

17 (f) Special interest courses.

18 (g) Professional development programs for teachers, school
19 administrators, other school employees, and school board members.

20 (6) If a home-schooled or nonpublic school student is a
21 resident of a district that subscribes to services provided by the
22 Michigan Virtual School, the student may use the services provided
23 by the Michigan Virtual School to the district without charge to
24 the student beyond what is charged to a district pupil using the
25 same services.

26 (7) Not later than December 1 of each fiscal year, the
27 Michigan Virtual University shall provide a report to the house and
28 senate appropriations subcommittees on school aid, the state budget
29 director, the house and senate fiscal agencies, and the department



1 that includes at least all of the following information related to
2 the Michigan Virtual School for the preceding state fiscal year:

3 (a) A list of the districts served by the Michigan Virtual
4 School.

5 (b) A list of virtual course titles available to districts.

6 (c) The total number of virtual course enrollments and
7 information on registrations and completions by course.

8 (d) The overall course completion rate percentage.

9 (8) In addition to the information listed in subsection (7),
10 the report under subsection (7) must also include a plan to serve
11 at least 600 schools with courses from the Michigan Virtual School
12 or with content available through the internet-based platform
13 identified in subsection (2) (b) (ix).

14 (9) The governor may appoint an advisory group for the
15 Michigan Virtual Learning Research Institute established under
16 subsection (2). The members of the advisory group serve at the
17 pleasure of the governor and without compensation. The purpose of
18 the advisory group is to make recommendations to the governor, the
19 legislature, and the president and board of the Michigan Virtual
20 University that will accelerate innovation in this state's
21 education system in a manner that will prepare elementary and
22 secondary students to be career and college ready and that will
23 promote the goal of increasing the percentage of residents of this
24 state with high-quality degrees and credentials to at least 60% by
25 2025.

26 (10) Not later than November 1 of each year, the Michigan
27 Virtual University shall submit to the house and senate
28 appropriations subcommittees on school aid, the state budget
29 director, and the house and senate fiscal agencies a detailed



1 budget for that fiscal year that includes a breakdown on its
2 projected costs to deliver virtual educational services to
3 districts and a summary of the anticipated fees to be paid by
4 districts for those services. Not later than March 1 each year, the
5 Michigan Virtual University shall submit to the house and senate
6 appropriations subcommittees on school aid, the state budget
7 director, and the house and senate fiscal agencies a breakdown on
8 its actual costs to deliver virtual educational services to
9 districts and a summary of the actual fees paid by districts for
10 those services based on audited financial statements for the
11 immediately preceding fiscal year.

12 (11) As used in this section:

13 (a) "Blended learning" means a hybrid instructional delivery
14 model where pupils are provided content, instruction, and
15 assessment, in part at a supervised educational facility away from
16 home where the pupil and a teacher with a valid Michigan teaching
17 certificate are in the same physical location and in part through
18 internet-connected learning environments with some degree of pupil
19 control over time, location, and pace of instruction.

20 (b) "Cyber school" means a full-time instructional program of
21 virtual courses for pupils that may or may not require attendance
22 at a physical school location.

23 (c) "Virtual course" means a course of study that is capable
24 of generating a credit or a grade and that is provided in an
25 interactive learning environment in which the majority of the
26 curriculum is delivered using the internet and in which pupils are
27 separated from their instructor or teacher of record by time or
28 location, or both.

29 Sec. 98b. (1) In order to receive state aid under this article



1 for ~~2021-2022~~, **2022-2023**, a district must do all of the following:

2 (a) By not later than the first meeting of the board that
3 occurs in February of ~~2022-2023~~ and by not later than the last day
4 of the ~~2021-2022-2022-2023~~ school year, the district superintendent
5 or chief administrator of the district, as applicable, shall
6 present both of the following at a public meeting of the board:

7 (i) Subject to state and federal privacy laws, the results from
8 benchmark assessments and local benchmark assessments, as
9 applicable, administered under ~~section 104a~~. **sections 104h and 104i.**

10 (ii) For each school operated by the district, each school's
11 progress toward meeting the educational goals described in
12 subdivision (d).

13 (b) The district shall ensure that the information presented
14 under subdivision (a) is disaggregated by grade level, by student
15 demographics, and by the mode of instruction received by the pupils
16 to which the information applies.

17 (c) The information presented under subdivision (a) must also
18 be compiled into a report that the district shall make available
19 through the transparency reporting link located on the district's
20 website.

21 (d) The district shall ensure that, by not later than
22 September 15, ~~2021~~, **2022**, each school building leader of each
23 school operated by the district, in conjunction with all teachers
24 and school administrators of the school, establishes educational
25 goals expected to be achieved for the ~~2021-2022-2022-2023~~ school
26 year for the school. The goals described in this subdivision must
27 specify which educational goals are expected to be achieved by not
28 later than the middle of the school year and which goals are
29 expected to be achieved by not later than the last day of the ~~2021-~~



~~2022-2022-2023~~ school year. All the following apply to the educational goals described in this subdivision:

(i) The goals must include increased pupil achievement or, if growth can be validly and reliably measured using a benchmark assessment or benchmark assessments or a local benchmark assessment, growth on a benchmark assessment or benchmark assessments or a local benchmark assessment described in subparagraph (ii) in the aggregate and for all subgroups of pupils broken down by grade level, student demographics, and mode of instruction.

(ii) The goals must include an assurance that the district shall select a benchmark assessment or benchmark assessments or a local benchmark assessment that are aligned to state standards and an assurance that the district shall administer the benchmark assessment or benchmark assessments or local benchmark assessment to all pupils as prescribed under ~~section 104a~~ **sections 104h and 104i** to determine whether pupils are making meaningful progress toward mastery of these standards.

(iii) The goals must be measurable through a benchmark assessment or benchmark assessments or a local benchmark assessment described in subparagraph (ii).

~~(iv) For districts that provided instruction under an approved extended COVID-19 learning plan under section 98a, the goals must correlate to the educational goals that were included in the district's COVID-19 learning plan under section 98a for the 2020-2021 school year.~~

(e) In implementing a benchmark assessment system under ~~section 104a,~~ **sections 104h and 104i**, the district ensures that it is in compliance with ~~section 104a(1)(f).~~ **sections 104h and 104i.**



(2) The department shall create a statewide uniform template for districts to utilize in the development of educational goals under subsection (1)(d) and shall make this template available to all districts by not later than June 30, ~~2022~~**2023**.

(3) By not later than June 15, ~~2022~~**2023**, subject to state and federal privacy laws, the superintendent of public instruction shall submit a report to the house and senate appropriations subcommittees on school aid and the house and senate standing committees on education that includes the results of benchmark assessments administered under ~~section 104a~~**sections 104h and 104i** that the superintendent of public instruction has received from districts. All of the following apply to the data included in the report described in this subsection:

(a) It must be disaggregated by grade level, student demographics, and the modes of instruction received by pupils.

(b) It must be broken down so as to show a comparison of growth among pupils within a grade level, within certain student demographics, and based on the modes of instruction received by the pupils.

(4) If requested to do so by the chairs of the house and senate appropriations subcommittees on school aid and the chairs of the house and senate standing committees on education, the superintendent of public instruction shall present his or her report submitted under subsection (3) in person to the house and senate appropriations subcommittees on school aid and the house and senate standing committees on education.

Sec. 98d. (1) From the state school aid fund money appropriated under section 11, there is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed ~~\$2,000,000.00~~**\$2,500,000.00** to



1 Northern Michigan University to support the MLC as described in
2 this section. **From this allocation in its support for the MLC,**
3 **\$1,500,000.00 must be used to support DPTV, and the remaining**
4 **\$1,000,000.00 must be used to, in equal distributions, support all**
5 **DPTV partner stations.** Northern Michigan University shall not
6 retain any portion of the funding received under this section for
7 administrative purposes and shall provide funding to support the
8 MLC. All of the following apply to the MLC:

9 (a) The MLC must be created to help bridge equity gaps in K to
10 12 education linked to a student's ability to engage in distance
11 learning because of inadequate internet access or a lack of devices
12 in the home.

13 (b) The MLC shall provide over-the-air broadcasts 24 hours
14 each day for 7 days each week of quality instructional content that
15 is aligned with this state's K to 12 educational standards. Over-
16 the-air broadcasts as described in this subdivision must be
17 streamed live and must be archived for on-demand viewing on a
18 companion website, along with additional learning materials
19 relevant to lessons.

20 (c) The MLC must be managed and operated by DPTV, and DPTV
21 shall assume all risk, liability, and responsibility for the MLC in
22 accordance with regulations by the United States Federal
23 Communications Commission, PBS broadcast standards, and standard
24 nonprofit business standards. DPTV shall serve as the fiduciary
25 agent and service manager for the MLC. The MLC shall originate from
26 a central operations center that is responsible for providing the
27 infrastructure, content, and engagement of the MLC in partnership
28 with this state's educational leadership organizations.

29 (d) The MLC shall require that DPTV provide technology,



1 funding, staff training, and central management of the MLC to
2 station partners to insert additional channels into each station's
3 broadcast streams and to support staffing and engagement as
4 outlined in a memorandum of understanding among the stations.

5 (e) The MLC shall require that DPTV partner with at least 5
6 other Michigan public television stations including, but not
7 limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-
8 the-air MLC broadcasts described in this section and to support
9 engagement with local educators. Stations described in this
10 subdivision must be able to use the infrastructure provided by the
11 MLC to develop their own local content that best serves their
12 communities.

13 (f) The MLC shall not use the funds received from Northern
14 Michigan University under this section in support of the MLC for
15 any purposes fully funded by the governor's emergency education
16 relief fund grant.

17 (2) Not later than February 1, ~~2022~~, **2023**, the MLC shall
18 provide a report to the house and senate appropriations
19 subcommittees responsible for school aid, the house and senate
20 fiscal agencies, and the state budget director detailing the MLC's
21 compliance with ensuring that conditions listed under subsection
22 (1) were met.

23 (3) Notwithstanding section 17b, the department shall make
24 payments under this section not later than December 1, ~~2021~~.**2022**.

25 (4) As used in this section:

26 (a) "DPTV" means Detroit public television.

27 (b) "MLC" means the Michigan learning channel.

28 Sec. 99h. (1) From the state school aid fund money
29 appropriated in section 11, there is allocated an amount not to



1 exceed ~~\$4,723,200.00~~ **\$5,223,200.00** for ~~2021-2022~~ **2022-2023** for
 2 competitive grants to districts and intermediate districts, and
 3 from the general fund money appropriated in section 11, there is
 4 allocated \$600,000.00 for ~~2021-2022~~ **2022-2023** for competitive
 5 grants to nonpublic schools, that provide pupils in grades pre-K to
 6 12 with expanded opportunities to improve mathematics, science, and
 7 technology skills by participating in ~~events~~ **competitions** hosted by
 8 a **vendor approved by the MiSTEM Council that may include, but is**
 9 **not limited to, the** science and technology development program
 10 known as FIRST (for inspiration and recognition of science and
 11 technology) Robotics, including JR FIRST Lego League, FIRST Lego
 12 League, FIRST Tech challenge, and FIRST Robotics competition, or
 13 other competitive robotics programs **or equipment vendors**, including
 14 VEX, Square One, and those hosted by the Robotics Education and
 15 Competition (REC) Foundation. ~~Programs funded under this section~~
 16 ~~are intended to increase~~ **Each program offered by vendors as**
 17 **described in this section must be evaluated by the MiSTEM Council**
 18 **to ensure that it increases** the number of pupils demonstrating
 19 proficiency in science and mathematics on the state assessments and
 20 to increase the number of pupils who are college- and career-ready
 21 upon high school graduation. Notwithstanding section 17b, the
 22 department shall make grant payments to districts, nonpublic
 23 schools, and intermediate districts under this section on a
 24 schedule determined by the department. The department shall set
 25 maximum grant awards for each different level of programming and
 26 competition in a manner that both maximizes the number of teams
 27 that will be able to receive funds and expands the geographical
 28 distribution of teams.

29 **(2) Subject to subsection (10), the department shall do all of**



1 the following for purposes of this section:

2 (a) Both of the following by not later than October 1, 2022,
3 and by not later than October 1 each year thereafter:

4 (i) Open applications for funding under this section to all
5 districts, nonpublic schools, and intermediate districts.

6 (ii) Publish a list of approved vendors for purposes of this
7 section in a manner that is accessible to all applicants. To obtain
8 approval under this subparagraph, a vendor must do both of the
9 following:

10 (A) Submit to the department registration information,
11 including any fees; pledge that it will post this information on
12 its website; and, by not later than January 1, 2023, and January 1
13 each year thereafter, submit this information to the department for
14 publication on the department's website.

15 (B) Pledge that it will not require a payment of any team
16 described in this section, including, but not limited to,
17 registration fees, if the team does not receive a grant under this
18 section.

19 (b) By not later than November 1, 2022, and by not later than
20 November 1 each year thereafter, close applications under this
21 section.

22 (c) By not later than December 31, 2022, and by not later than
23 December 31 each year thereafter, make all determinations
24 concerning funding under this section.

25 (d) By not later than July 1, 2023, and by not later than July
26 1 each year thereafter, publish a document listing the requirements
27 for becoming an approved vendor under subdivision (a).

28 (3) Except as otherwise provided under this subsection, if
29 funding under this section is insufficient to fulfill all funding



1 requests by qualified applicants under this section, the department
2 shall prorate the total funding allocated under this section
3 equally among all qualified applicants. However, for funding under
4 this section toward grants under subsection (5) (b), in its
5 proration under this subsection, the department shall ensure that
6 each district is paid in an amount equal to the percentage the
7 department would have paid the district in grant funding under
8 subsection (5) (b), but for proration under this subsection, with no
9 district receiving a grant under subsection (5) (b) in an amount
10 that is greater than the district's total accrued costs under
11 subsection (5) (b).

12 (4) ~~(2)~~—A district, nonpublic school, or intermediate district
13 applying for a grant under this section ~~shall~~**must** submit an
14 application in a form and manner prescribed by the department. To
15 be eligible for a grant, a district, nonpublic school, or
16 intermediate district must demonstrate in its application that the
17 district, nonpublic school, or intermediate district has
18 established a partnership for the purposes of the robotics program
19 with at least 1 sponsor, business entity, higher education
20 institution, or technical school, shall submit a spending plan, and
21 shall provide a local in-kind or cash match from other private or
22 local funds of at least 25% of the cost of the robotics program
23 award.

24 (5) ~~(3)~~—The department shall distribute the grant funding
25 under this section for the following purposes:

26 (a) Grants to districts, nonpublic schools, or intermediate
27 districts to pay for stipends not to exceed \$1,500.00 per building
28 for coaching.

29 (b) Grants to districts, nonpublic schools, or intermediate



1 districts for event registrations, materials, travel costs, and
 2 other expenses associated with the preparation for and attendance
 3 at robotics events and competitions.

4 (c) Grants to districts, nonpublic schools, or intermediate
 5 districts for awards to teams that advance to the next levels of
 6 competition as determined by the department. The department shall
 7 determine an equal amount per team for those teams that advance.

8 **(6)** ~~(4)~~—The funds allocated under this section for ~~2021–2022~~
 9 **2022–2023** are a work project appropriation, and any unexpended
 10 funds for ~~2021–2022–2022–2023~~ are carried forward into ~~2022–2023–~~
 11 **2023–2024**. The purpose of the work project is to continue support
 12 of ~~FIRST Robotics and must not be used to support other robotics~~
 13 ~~competitions.~~ **programs under this section.** The estimated completion
 14 date of the work project is September 30, ~~2023–2024~~.

15 **(7)** ~~(5)~~—A nonpublic school that receives a grant under this
 16 section may use the funds for either robotics or Science Olympiad
 17 programs.

18 **(8)** ~~(6)~~—To be eligible to receive funds under this section, a
 19 nonpublic school must be a nonpublic school registered with the
 20 department and must meet all applicable state reporting
 21 requirements for nonpublic schools.

22 **(9)** For purposes of this section, an approved vendor under
 23 this section that provides a program under this section shall not
 24 work with the department to set prices or policies for the program.

25 **(10)** Both of the following apply to the deadlines described in
 26 subsection (2):

27 **(a)** If the deadlines are on a date in October, November, or
 28 December of 2022 or January or July of 2023, if the amendatory act
 29 that added this subsection is not enacted into law by July 1, 2022,



1 those deadlines are extended, from the date the amendatory act that
 2 added this subsection is enacted into law, by the number of
 3 calendar days after July 1, 2022 that the amendatory act that added
 4 this subsection is enacted into law.

5 (b) If the deadlines are on a date in October, November, or
 6 December in a year after 2022 or January or July in a year after
 7 2023, if the K to 12 school aid appropriations bill is not enacted
 8 into law by July 1 of the applicable year, those deadlines are
 9 extended for the applicable year, from the date the K to 12 school
 10 aid appropriations bill is enacted into law for that year, by the
 11 number of calendar days after July 1 of that year that the K to 12
 12 school aid appropriations bill is enacted into law.

13 (11) As used in this section, "MiSTEM Council" means that term
 14 as defined in section 99s.

15 Sec. 99s. (1) From the ~~funds~~ **state school aid fund money**
 16 appropriated under section 11, there is allocated for ~~2021-2022~~
 17 **2022-2023** an amount not to exceed \$7,634,300.00 ~~from the state~~
 18 ~~school aid fund appropriation and an amount not to exceed~~
 19 ~~\$300,000.00 from the general fund appropriation for Michigan~~
 20 ~~science, technology, engineering, and mathematics (MiSTEM)~~
 21 ~~programs. In addition, from the federal funds appropriated in~~
 22 ~~section 11, there is allocated to the department for 2021-2022 an~~
 23 ~~amount estimated at \$235,000.00 from DED-OESE, title II,~~
 24 ~~mathematics and science partnership grants.~~ The MiSTEM network may
 25 receive funds from private sources. If the MiSTEM network receives
 26 funds from private sources, the MiSTEM network shall expend those
 27 funds in alignment with the statewide STEM strategy. Programs
 28 funded under this section are intended to increase the number of
 29 pupils demonstrating proficiency in science and mathematics on the



1 state assessments, to increase the number of pupils who are
2 college- and career-ready upon high school graduation, and to
3 promote certificate and degree attainment in STEM fields.
4 Notwithstanding section 17b, the department shall make payments
5 under this section on a schedule determined by the department.

6 (2) The MiSTEM council annually shall review and make
7 recommendations to the governor, the legislature, and the
8 department concerning changes to the statewide strategy adopted by
9 the council for delivering STEM education-related opportunities to
10 pupils. The MiSTEM council shall use funds received under this
11 subsection to ensure that its members or their designees are
12 trained in the Change the Equation STEMworks rating system program
13 for the purpose of rating STEM programs.

14 (3) The MiSTEM council shall make specific funding
15 recommendations for the funds allocated under subsection (4) by
16 December 15 of each fiscal year. Each specific funding
17 recommendation must be for a program approved by the MiSTEM
18 council. All of the following apply:

19 (a) To be eligible for MiSTEM council approval as described in
20 this subsection, a program must satisfy all of the following:

21 (i) Align with this state's academic standards.

22 (ii) Have STEMworks certification.

23 (iii) Provide project-based experiential learning, student
24 programming, or educator professional learning experiences.

25 (iv) Focus predominantly on classroom-based STEM experiences or
26 professional learning experiences.

27 (b) The MiSTEM council shall approve programs that represent
28 all network regions and include a diverse array of options for
29 students and educators and at least 1 program in each of the



1 following areas:

2 (i) Robotics.

3 (ii) Computer science or coding.

4 (iii) Engineering or bioscience.

5 (c) The MiSTEM council is encouraged to work with the MiSTEM
6 network to develop locally and regionally developed programs and
7 professional learning experiences for the programs on the list of
8 approved programs.

9 (d) If the MiSTEM council is unable to make specific funding
10 recommendations by December 15 of a fiscal year, the department
11 shall award and distribute the funds allocated under subsection (4)
12 on a competitive grant basis that at least follows the statewide
13 STEM strategy plan and rating system recommended by the MiSTEM
14 council. Each grant must provide STEM education-related
15 opportunities for pupils.

16 (e) The MiSTEM council shall work with the department of labor
17 and economic opportunity to implement the statewide STEM strategy
18 adopted by the MiSTEM council.

19 (4) ~~Except as otherwise provided in this subsection, from~~ **From**
20 the state school aid fund money allocated under subsection (1),
21 there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed
22 \$3,050,000.00 for the purpose of funding programs under this
23 section for ~~2021-2022~~ **2022-2023** as recommended by the MiSTEM
24 council. ~~However, from the allocation under this subsection, the~~
25 ~~MiSTEM council shall recommend and the department shall award~~
26 ~~\$350,000.00 in grants to intermediate districts to implement~~
27 ~~fabrication laboratories (Fab Labs). The MiSTEM council shall~~
28 ~~recommend and the department shall only award 10 grants described~~
29 ~~in the immediately preceding sentence in an amount not to exceed~~



1 ~~\$35,000.00 each.~~

2 (5) From the state school aid fund money allocated under
 3 subsection (1), there is allocated an amount not to exceed
 4 \$3,834,300.00 for ~~2021-2022~~ **2022-2023** to support the activities and
 5 programs of the MiSTEM network regions. ~~In addition, from the~~
 6 ~~federal funds allocated under subsection (1), there is allocated~~
 7 ~~for 2021-2022 an amount estimated at \$235,000.00 from DED-OESE,~~
 8 ~~title II, mathematics and science partnership grants, for the~~
 9 ~~purposes of this subsection.~~ From the money allocated under this
 10 subsection, the department shall award the fiscal agent for each
 11 MiSTEM network region \$200,000.00 for the base operations of each
 12 region. The department shall distribute the remaining funds to each
 13 fiscal agent in an equal amount per pupil, based on the number of K
 14 to 12 pupils enrolled in districts within each region in the
 15 immediately preceding fiscal year.

16 (6) A MiSTEM network region shall do all of the following:

17 (a) Collaborate with the career and educational advisory
 18 council that is located in the MiSTEM region to develop a regional
 19 strategic plan for STEM education that creates a robust regional
 20 STEM culture, that empowers STEM teachers, that integrates business
 21 and education into the STEM network, and that ensures high-quality
 22 STEM experiences for pupils. At a minimum, a regional STEM
 23 strategic plan should do all of the following:

24 (i) Identify regional employer need for STEM.

25 (ii) Identify processes for regional employers and educators to
 26 create guided pathways for STEM careers that include internships or
 27 externships, apprenticeships, and other experiential engagements
 28 for pupils.

29 (iii) Identify educator professional learning opportunities,



1 including internships or externships and apprenticeships, that
2 integrate this state's science standards into high-quality STEM
3 experiences that engage pupils.

4 (b) Facilitate regional STEM events such as educator and
5 employer networking and STEM career fairs to raise STEM awareness.

6 (c) Contribute to the MiSTEM website and engage in other
7 MiSTEM network functions to further the mission of STEM in this
8 state in coordination with the MiSTEM council and the department of
9 labor and economic opportunity.

10 (d) Facilitate application and implementation of state and
11 federal funds under this subsection and any other grants or funds
12 for the MiSTEM network region.

13 (e) Work with districts to provide STEM programming and
14 professional learning.

15 (f) Coordinate recurring discussions and work with the career
16 and educational advisory council to ensure that feedback and best
17 practices are being shared, including funding, program,
18 professional learning opportunities, and regional strategic plans.

19 (7) From the state school aid fund money allocated under
20 subsection (1), the department shall distribute for ~~2021-2022-2022-~~
21 **2023** an amount not to exceed \$750,000.00, in a form and manner
22 determined by the department, to those network regions able to
23 further the statewide STEM strategy recommended by the MiSTEM
24 council.

25 (8) In order to receive state or federal funds under
26 subsection (5) or (7), or to receive funds from private sources as
27 authorized under subsection (1), a grant recipient must allow
28 access for the department or the department's designee to audit all
29 records related to the program for which it receives those funds.



1 The grant recipient shall reimburse the state for all disallowances
2 found in the audit.

3 (9) In order to receive state funds under subsection (5) or
4 (7), a grant recipient must provide at least a 10% local match from
5 local public or private resources for the funds received under this
6 subsection.

7 (10) Not later than July 1 of each year, a MiSTEM network
8 region that receives funds under subsection (5) shall report to the
9 executive director of the MiSTEM network in a form and manner
10 prescribed by the executive director on performance measures
11 developed by the MiSTEM network regions and approved by the
12 executive director. The performance measures must be designed to
13 ensure that the activities of the MiSTEM network are improving
14 student academic outcomes.

15 (11) Not more than 5% of a MiSTEM network region grant under
16 subsection (5) or (7) may be retained by a fiscal agent for serving
17 as the fiscal agent of a MiSTEM network region.

18 ~~(12) From the general fund money allocated under subsection~~
19 ~~(1), there is allocated an amount not to exceed \$300,000.00 to the~~
20 ~~department of labor and economic opportunity to support the staff~~
21 ~~for the MiSTEM network, and for administrative, training, and~~
22 ~~travel costs related to the MiSTEM council. The staff for the~~
23 ~~MiSTEM network shall do all of the following:~~

24 ~~(a) Serve as a liaison among and between the department, the~~
25 ~~department of labor and economic opportunity, the MiSTEM council,~~
26 ~~the governor's workforce development board, the MiSTEM regions, and~~
27 ~~any other relevant organization or entity in a manner that creates~~
28 ~~a robust statewide STEM culture, that empowers STEM teachers, that~~
29 ~~integrates business and education into the STEM network, and that~~



~~ensures high quality STEM experiences for pupils.~~

~~(b) Coordinate the implementation of a marketing campaign, including, but not limited to, a website that includes dashboards of outcomes, to build STEM awareness and communicate STEM needs and opportunities to pupils, parents, educators, and the business community.~~

~~(c) Work with the department and the MiSTEM council to coordinate, award, and monitor MiSTEM state and federal grants to the MiSTEM network regions and conduct reviews of grant recipients, including, but not limited to, pupil experience and feedback.~~

~~(d) Report to the governor, the legislature, the department, and the MiSTEM council annually on the activities and performance of the MiSTEM network regions.~~

~~(e) Coordinate recurring discussions and work with regional staff to ensure that a network or loop of feedback and best practices are shared, including funding, programming, professional learning opportunities, discussion of MiSTEM strategic vision, and regional objectives.~~

~~(f) Coordinate major grant application efforts with the MiSTEM council to assist regional staff with grant applications on a local level. The MiSTEM council shall leverage private and nonprofit relationships to coordinate and align private funds in addition to funds appropriated under this section.~~

~~(g) Train state and regional staff in the STEMworks rating system, in collaboration with the MiSTEM council and the department.~~

~~(h) Hire MiSTEM network region staff in collaboration with the network region fiscal agent.~~

~~(12) (13) As used in this section:~~



1 (a) "Career and educational advisory council" means an
2 advisory council to the local workforce development boards located
3 in a prosperity region consisting of educational, employer, labor,
4 and parent representatives.

5 (b) "DED" means the United States Department of Education.

6 (c) "DED-OESE" means the DED Office of Elementary and
7 Secondary Education.

8 (d) "MiSTEM Council" means the Michigan Science, Technology,
9 Engineering, and Mathematics Education Advisory Council created as
10 an advisory body within the department of labor and economic
11 opportunity by Executive Reorganization Order No. 2019-3, MCL
12 125.1998.

13 (e) "STEM" means science, technology, engineering, and
14 mathematics delivered in an integrated fashion using cross-
15 disciplinary learning experiences that can include language arts,
16 performing and fine arts, and career and technical education.

17 Sec. 99t. (1) From the general fund appropriation under
18 section 11, there is allocated an amount not to exceed
19 \$2,000,000.00 for ~~2021-2022~~**2022-2023** to purchase statewide access
20 to an online algebra tool that meets all of the following:

21 (a) Provides students statewide with complete access to videos
22 aligned with state standards including study guides and workbooks
23 that are aligned with the videos.

24 (b) Provides students statewide with access to a personalized
25 online algebra learning tool including adaptive diagnostics.

26 (c) Provides students statewide with dynamic algebra practice
27 assessments that emulate the state assessment with immediate
28 feedback and help solving problems.

29 (d) Provides students statewide with online access to algebra



1 help 24 hours a day and 7 days a week from study experts, teachers,
2 and peers on a moderated social networking platform.

3 (e) Provides an online algebra professional development
4 network for teachers.

5 (f) Is already provided under a statewide contract in at least
6 1 other state that has a population of at least 18,000,000 but not
7 more than 19,000,000 ~~according to the most recent decennial census~~
8 and is offered in that state in partnership with a public
9 university.

10 (2) The department shall purchase the online algebra tool that
11 was chosen under this section in 2016-2017.

12 (3) A grantee receiving funding under this section shall
13 comply with the requirements of section 19b.

14 Sec. 99u. (1) From the general fund money appropriated under
15 section 11, there is allocated for ~~2021-2022~~ **2022-2023** an amount
16 not to exceed \$6,000,000.00 to a provider that is a provider of
17 both of the following:

18 (a) An online mathematics tool that meets all of the
19 following:

20 (i) Provides students statewide with complete access to
21 mathematics support aligned with state standards through a program
22 that has all of the following elements:

23 (A) Student motivation.

24 (B) Valid and reliable assessments.

25 (C) Personalized learning pathways.

26 (D) Highly qualified, live teachers available all day and all
27 year.

28 (E) Twenty-four-hour reporting.

29 (F) Content built for rigorous mathematics.



1 (ii) Has a record of improving student mathematics scores in at
2 least 5 other states.

3 (iii) Received funding under this section in 2017-2018.

4 (b) A program that provides explicit, targeted literacy
5 instruction within an individualized learning path that continually
6 adjusts to a pupil's needs. A program described in this subdivision
7 that is funded under this subsection must be funded through a grant
8 to a provider described in this subsection that also promotes
9 literacy through the teaching of critical language and literacy
10 concepts, such as reading and listening comprehension, basic
11 vocabulary, academic language, grammar, phonological awareness,
12 phonics, and fluency.

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

15 (3) Notwithstanding section 17b, the department shall make
16 payments under this section by not later than December 1,
17 ~~2021-2022~~.

18 Sec. 99x. (1) From the general fund money appropriated under
19 section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount
20 not to exceed \$1,000,000.00 for Teach for America to host a summer
21 training institute in the city of Detroit, recruit teachers into a
22 master teacher fellowship, and retain a committed alumni community.
23 A program funded under this section must provide coaching and
24 professional development, with the goal to produce highly effective
25 teachers that move pupils beyond their growth benchmarks.

26 (2) Notwithstanding section 17b, the department shall make
27 payments under this section by not later than December 1,
28 ~~2021-2022~~.

29 Sec. 99aa. (1) From the state school aid fund money



1 appropriated in section 11, there is allocated an amount not to
2 exceed \$1,500,000.00 for ~~2021-2022-2022-2023~~ to 1 eligible
3 intermediate district to provide opportunities for high school
4 students with disabilities to train for, gain, and maintain
5 competitive employment.

6 (2) An intermediate district that has partnered with Project
7 SEARCH to provide the opportunities described in subsection (1) is
8 an eligible intermediate district under this section.

9 (3) The funds allocated under this section for ~~2021-2022-2022-~~
10 ~~2023~~ are a work project appropriation, and any unexpended funds for
11 ~~2021-2022-2022-2023~~ are carried forward into ~~2022-2023-2023-2024~~.
12 The purpose of the work project is to provide for the continuation
13 of opportunities for high school students with disabilities as
14 described in subsection (1). The estimated completion date of the
15 work project is September 30, ~~2023-2024~~.

16 Sec. 101. (1) To be eligible to receive state aid under this
17 article, not later than the fifth Wednesday after the pupil
18 membership count day and not later than the fifth Wednesday after
19 the supplemental count day, each district superintendent shall
20 submit and certify to the center and the intermediate
21 superintendent, in the form and manner prescribed by the center,
22 the number of pupils enrolled and in regular daily attendance,
23 including identification of tuition-paying pupils, in the district
24 as of the pupil membership count day and as of the supplemental
25 count day, as applicable, for the current school year. In addition,
26 a district maintaining school during the entire year shall submit
27 and certify to the center and the intermediate superintendent, in
28 the form and manner prescribed by the center, the number of pupils
29 enrolled and in regular daily attendance in the district for the



1 current school year pursuant to rules promulgated by the
2 superintendent. Not later than the sixth Wednesday after the pupil
3 membership count day and not later than the sixth Wednesday after
4 the supplemental count day, the district shall resolve any pupil
5 membership conflicts with another district, correct any data
6 issues, and recertify the data in a form and manner prescribed by
7 the center and file the certified data with the intermediate
8 superintendent. If a district fails to submit and certify the
9 attendance data, as required under this subsection, the center
10 shall notify the department and the department shall withhold state
11 aid due to be distributed under this article from the defaulting
12 district immediately, beginning with the next payment after the
13 failure and continuing with each payment until the district
14 complies with this subsection. If a district does not comply with
15 this subsection by the end of the fiscal year, the district
16 forfeits the amount withheld. A person who willfully falsifies a
17 figure or statement in the certified and sworn copy of enrollment
18 is subject to penalty as prescribed by section 161.

19 (2) To be eligible to receive state aid under this article,
20 not later than the twenty-fourth Wednesday after the pupil
21 membership count day and not later than the twenty-fourth Wednesday
22 after the supplemental count day, an intermediate district shall
23 submit to the center, in a form and manner prescribed by the
24 center, the audited enrollment and attendance data as described in
25 subsection (1) for the pupils of its constituent districts and of
26 the intermediate district. If an intermediate district fails to
27 submit the audited data as required under this subsection, the
28 department shall withhold state aid due to be distributed under
29 this article from the defaulting intermediate district immediately,



1 beginning with the next payment after the failure and continuing
2 with each payment until the intermediate district complies with
3 this subsection. If an intermediate district does not comply with
4 this subsection by the end of the fiscal year, the intermediate
5 district forfeits the amount withheld.

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

8 (a) Except as otherwise provided in this section, each
9 district shall provide at least 1,098 hours and 180 days of pupil
10 instruction. If a collective bargaining agreement that provides a
11 complete school calendar was in effect for employees of a district
12 as of June 24, 2014, and if that school calendar is not in
13 compliance with this subdivision, then this subdivision does not
14 apply to that district until after the expiration of that
15 collective bargaining agreement. A district may apply for a waiver
16 under subsection (9) from the requirements of this subdivision.

17 (b) Except as otherwise provided in this article, a district
18 failing to comply with the required minimum hours and days of pupil
19 instruction under this subsection forfeits from its total state aid
20 allocation an amount determined by applying a ratio of the number
21 of hours or days the district was in noncompliance in relation to
22 the required minimum number of hours and days under this
23 subsection. Not later than the first business day in August, the
24 board of each district shall either certify to the department that
25 the district was in full compliance with this section regarding the
26 number of hours and days of pupil instruction in the previous
27 school year, or report to the department, in a form and manner
28 prescribed by the center, each instance of noncompliance. If the
29 district did not provide at least the required minimum number of



1 hours and days of pupil instruction under this subsection, the
2 department shall make the deduction of state aid in the following
3 fiscal year from the first payment of state school aid. A district
4 is not subject to forfeiture of funds under this subsection for a
5 fiscal year in which a forfeiture was already imposed under
6 subsection (6).

7 (c) Hours or days lost because of strikes or teachers'
8 conferences are not counted as hours or days of pupil instruction.

9 (d) Except as otherwise provided in subdivisions (e) and (f),
10 if a district does not have at least 75% of the district's
11 membership in attendance on any day of pupil instruction, the
12 department shall pay the district state aid in that proportion of
13 $1/180$ that the actual percent of attendance bears to 75%.

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



(f) At the request of a district that operates a department-approved alternative education program and that does not provide instruction for pupils in all of grades K to 12, the superintendent shall grant a waiver from the requirements of subdivision (d). The waiver must provide that an eligible district is subject to the proration provisions of subdivision (d) only if the district does not have at least 50% of the district's membership in attendance on any day of pupil instruction. In order to be eligible for this waiver, a district must maintain records to substantiate its compliance with the following requirements:

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

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

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

(g) All of the following apply to a waiver granted under subdivision (f):

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

(ii) If the waiver is for a 100% online model of delivery and the educational program for which the waiver is granted makes educational services available to pupils for a minimum of at least 1,098 hours during a school year and ensures that each pupil participates in the educational program for at least 1,098 hours



1 during a school year, a waiver that is granted for the 2011-2012
2 fiscal year or a subsequent fiscal year remains in effect unless it
3 is revoked by the superintendent.

4 (iii) A waiver that is not a waiver described in subparagraph
5 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the
6 superintendent, and must be renewed at the end of the 3-year period
7 to remain in effect.

8 (h) The superintendent shall promulgate rules for the
9 implementation of this subsection.

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

26 (5) A district does not forfeit part of its state aid
27 appropriation because it adopts or has in existence an alternative
28 scheduling program for pupils in kindergarten if the program
29 provides at least the number of hours required under subsection (3)



1 for a full-time equated membership for a pupil in kindergarten as
2 provided under section 6(4).

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

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

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

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

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

28 (b) The time a pupil is assigned to any tutorial activity in a
29 block schedule may be considered instructional time, unless that



1 time is determined in an audit to be a study hall period.

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

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

26 (e) In grades 7 through 12, instructional time that is part of
27 a Junior Reserve Officer Training Corps (JROTC) program is
28 considered to be pupil instruction time regardless of whether the
29 instructor is a certificated teacher if all of the following are



1 met:

2 (i) The instructor has met all of the requirements established
3 by the United States Department of Defense and the applicable
4 branch of the armed services for serving as an instructor in the
5 Junior Reserve Officer Training Corps program.

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

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

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



1 subsection to the center in a form and manner determined by the
2 center. All of the following apply to a waiver granted under this
3 subsection:

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

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

15 (c) A waiver that is not a waiver described in subdivision (a)
16 or (b) is valid for 3 fiscal years, unless it is revoked by the
17 superintendent, and must be renewed at the end of the 3-year period
18 to remain in effect.

19 (10) A district may count up to 38 hours of professional
20 development for teachers as hours of pupil instruction. All of the
21 following apply to the counting of professional development as
22 pupil instruction under this subsection:

23 (a) If the professional development exceeds 5 hours in a
24 single day, that day may be counted as a day of pupil instruction.

25 (b) At least 8 hours of the professional development counted
26 as hours of pupil instruction under this subsection must be
27 recommended by a districtwide professional development advisory
28 committee appointed by the district board. The advisory committee
29 must be composed of teachers employed by the district who represent



1 a variety of grades and subject matter specializations, including
2 special education; nonteaching staff; parents; and administrators.
3 The majority membership of the committee must be composed of
4 teaching staff.

5 (c) Professional development provided online is allowable and
6 encouraged, as long as the instruction has been approved by the
7 district. The department shall issue a list of approved online
8 professional development providers that must include the Michigan
9 Virtual School.

10 (d) Professional development may only be counted as hours of
11 pupil instruction under this subsection for the pupils of those
12 teachers scheduled to participate in the professional development.

13 (e) The professional development must meet all of the
14 following to be counted as pupil instruction under this subsection:

15 (i) Be aligned to the school or district improvement plan for
16 the school or district in which the professional development is
17 being provided.

18 (ii) Be linked to 1 or more criteria in the evaluation tool
19 developed or adopted by the district or intermediate district under
20 section 1249 of the revised school code, MCL 380.1249.

21 (iii) Has been approved by the department as counting for state
22 continuing education clock hours. The number of hours of
23 professional development counted as hours of pupil instruction
24 under this subsection may not exceed the number of state continuing
25 education clock hours for which the professional development was
26 approved.

27 (iv) Not more than a combined total of 10 hours of the
28 professional development takes place before the first scheduled day
29 of school for the school year ending in the fiscal year and after



1 the last scheduled day of school for that school year.

2 (v) Not more than 10 hours of the professional development
3 takes place in a single month.

4 (vi) At least 75% of teachers scheduled to participate in the
5 professional development are in attendance.

6 (11) Subsections (3) and (8) do not apply to a school of
7 excellence that is a cyber school, as that term is defined in
8 section 551 of the revised school code, MCL 380.551, and is in
9 compliance with section 553a of the revised school code, MCL
10 380.553a. **Beginning July 1, 2021, this subsection is subject to**
11 **section 8c. It is the intent of the legislature that the**
12 **immediately preceding sentence apply retroactively and is effective**
13 **July 1, 2021.**

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

18 (13) At least every 2 years the superintendent shall review
19 the waiver standards set forth in the pupil accounting and auditing
20 manuals to ensure that the waiver standards and waiver process
21 continue to be appropriate and responsive to changing trends in
22 online learning. The superintendent shall solicit and consider
23 input from stakeholders as part of this review.

24 Sec. 104. (1) In order to receive state aid under this
25 article, a district shall comply with sections 1249, 1278a, 1278b,
26 1279g, and 1280b of the revised school code, MCL 380.1249,
27 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL
28 388.1081 to 388.1086. Subject to subsection (2), from the state
29 school aid fund money appropriated in section 11, there is



1 allocated for ~~2021-2022~~**2022-2023** an amount not to exceed
2 \$29,509,400.00 for payments on behalf of districts for costs
3 associated with complying with those provisions of law. In
4 addition, from the federal funds appropriated in section 11, there
5 is allocated for ~~2021-2022~~**2022-2023** an amount estimated at
6 \$6,250,000.00 funded from DED-OESE, title VI, state assessment
7 funds, and from DED-OSERS, part B of the individuals with
8 disabilities education act, 20 USC 1411 to 1419, plus any carryover
9 federal funds from previous year appropriations, for the purposes
10 of complying with the every student succeeds act, Public Law 114-
11 95.

12 (2) The results of each test administered as part of the
13 Michigan student test of educational progress (M-STEP), including
14 tests administered to high school students, must include an item
15 analysis that lists all items that are counted for individual pupil
16 scores and the percentage of pupils choosing each possible
17 response. The department shall work with the center to identify the
18 number of students enrolled at the time assessments are given by
19 each district. In calculating the percentage of pupils assessed for
20 a district's scorecard, the department shall use only the number of
21 pupils enrolled in the district at the time the district
22 administers the assessments and shall exclude pupils who enroll in
23 the district after the district administers the assessments.

24 (3) The department shall distribute federal funds allocated
25 under this section in accordance with federal law and with
26 flexibility provisions outlined in Public Law 107-116, and in the
27 education flexibility partnership act of 1999, Public Law 106-25.

28 (4) The department may recommend, but may not require,
29 districts to allow pupils to use an external keyboard with tablet



1 devices for online M-STEP testing, including, but not limited to,
 2 open-ended test items such as constructed response or equation
 3 builder items.

4 (5) Notwithstanding section 17b, the department shall make
 5 payments on behalf of districts, intermediate districts, and other
 6 eligible entities under this section on a schedule determined by
 7 the department.

8 (6) From the allocation in subsection (1), there is allocated
 9 an amount not to exceed \$500,000.00 for ~~2021-2022~~**2022-2023** for the
 10 operation of an online reporting tool to provide student-level
 11 assessment data in a secure environment to educators, parents, and
 12 pupils immediately after assessments are scored. The department and
 13 the center shall ensure that any data collected by the online
 14 reporting tool do not provide individually identifiable student
 15 data to the federal government.

16 (7) As used in this section:

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

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

20 (c) "DED-OSERS" means the DED Office of Special Education and
 21 Rehabilitative Services.

22 Sec. 104f. (1) From the state school aid fund money
 23 appropriated under section 11, there is allocated an amount not to
 24 exceed ~~\$500,000.00~~**\$150,000.00** to a district for the implementation
 25 of an assessment digital literacy preparation program for pupils
 26 enrolled in grades K to 8 for ~~2021-2022~~**2022-2023**. The department
 27 shall ensure that a program funded under this subsection satisfies
 28 all of the following:

29 (a) Is available to districts in the ~~2021-2022~~**2022-2023**



1 school year.

2 (b) Focuses on ensuring pupils have the necessary skills
3 required for state online assessments by assessing pupil digital
4 literacy skill levels and providing teachers with a digital
5 curriculum targeted at areas of determined weakness.

6 (c) Allows pupils to engage with the digital curriculum in an
7 independent or teacher-facilitated modality.

8 (d) Includes training and professional development for
9 teachers.

10 (e) Is implemented in at least 100 districts that operate
11 grades K to 8 and that represent a diverse geography and socio-
12 economic demographic.

13 (2) Funding under subsection (1) must be allocated to a
14 district that did not receive funding under former section 104e for
15 2017-2018 and that operates at least grades K to 8 and has a
16 partnership with a third party that is experienced in the
17 assessment of digital literacy and the preparation of digital
18 literacy skills and has demonstrable experience serving districts
19 in this state and local education agencies in 10 other states. The
20 district, along with its third-party partner, shall provide a
21 report to the house and senate appropriations subcommittees on
22 school aid and the house and senate fiscal agencies on the efficacy
23 and usefulness of the assessment digital literacy preparation
24 program no later than July 1, ~~2022~~**2023**.

25 (3) Notwithstanding section 17b, the department shall make
26 payments under subsection (1) by not later than December 1,
27 ~~2021~~**2022**.

28 Sec. 104h. (1) From the state school aid fund money
29 appropriated under section 11, there is allocated for 2021-2022 an



1 amount not to exceed \$11,500,000.00 to districts to begin
2 implementation of a benchmark assessment system for the 2022-2023
3 school year. All of the following apply to the benchmark assessment
4 system described in this subsection:

5 (a) The system must provide for all of the following:

6 (i) That, within the first 9 weeks of the 2022-2023 school
7 year, the district shall administer 1 or more benchmark assessments
8 provided by a provider approved under subsection (6), benchmark
9 assessments described in subdivision (b), or local benchmark
10 assessments, or any combination thereof, to all pupils in grades K
11 to 8 to measure proficiency in reading and mathematics.

12 (ii) That, in addition to the benchmark assessment or benchmark
13 assessments administered under subparagraph (i), by not later than
14 the last day of the 2022-2023 school year, the district shall
15 administer 1 or more benchmark assessments provided by a provider
16 approved under subsection (6), benchmark assessments described in
17 subdivision (b), or local benchmark assessments, or any combination
18 thereof, to all pupils in grades K to 8 to measure proficiency in
19 reading and mathematics.

20 (b) A district may administer 1 or more of the following
21 benchmark assessments toward meeting the requirements under
22 subdivision (a):

23 (i) A benchmark assessment in reading for students in grades K
24 to 9 that contains progress monitoring tools and enhanced
25 diagnostic assessments.

26 (ii) A benchmark assessment in math for students in grades K to
27 8 that contains progress monitoring tools.

28 (c) The system must provide that, to the extent practicable,
29 if a district administers a benchmark assessment or benchmark



1 assessments under this section, the district shall administer the
 2 same benchmark assessment or benchmark assessments provided by a
 3 provider approved under subsection (6), benchmark assessment or
 4 benchmark assessments described in subdivision (b), or local
 5 benchmark assessment or local benchmark assessments that it
 6 administered to pupils in previous school years, as applicable.

7 (d) The system must provide that, if a district administers a
 8 benchmark assessment or benchmark assessments under this section,
 9 the district shall provide each pupil's data from the benchmark
 10 assessment or benchmark assessments, as available, to the pupil's
 11 parent or legal guardian within 30 days of administering the
 12 benchmark assessment or benchmark assessments.

13 (e) The system must provide that, if a local benchmark
 14 assessment or local benchmark assessments are administered under
 15 subdivision (a), the district shall report to the department and
 16 the center, in a form and manner prescribed by the center, the
 17 local benchmark assessment or local benchmark assessments that were
 18 administered and how that assessment or those assessments measure
 19 changes, including any losses, as applicable, in learning, and the
 20 district's plan for addressing any losses in learning.

21 (f) The system must provide that, by not later than 30 days
 22 after a benchmark assessment or benchmark assessments are
 23 administered under ~~subparagraph (1) (a) (ii),~~ **subdivision (a) (ii), or**
 24 **within the time frame specified by the department,** the district
 25 shall send benchmark assessment data from all benchmark assessments
 26 administered in the 2022-2023 school year, excluding data from a
 27 local benchmark assessment, as applicable, ~~aggregated by grade~~
 28 ~~level, student demographic subgroups, and mode of instruction~~
 29 **including grade level, student demographics, and mode of**



1 **instruction** to the department **in a form and manner prescribed by**
2 **the department.** If available, the data described in this
3 subdivision must include information concerning pupil growth from
4 fall 2022 to spring 2023.

5 (2) To receive funding under this section, a district must
6 apply for the funding in a form and manner prescribed by the
7 department.

8 (3) The department shall pay an amount equal to \$12.50 per
9 membership pupil in grades K to 8 in the district to each district
10 that applies for funding under this section.

11 (4) The department shall make 1 of the benchmark assessments
12 provided by a provider approved under subsection (6) available to
13 districts at no cost to the districts for purposes of meeting the
14 requirements under this section. The benchmark assessment described
15 in this subsection must meet all of the following:

16 (a) Be aligned to the content standards of this state.

17 (b) Complement the state's summative assessment system.

18 (c) Be internet-delivered and include a standards-based
19 assessment.

20 (d) Provide information on pupil achievement with regard to
21 learning content required in a given year or grade span.

22 (e) Provide timely feedback to pupils and teachers.

23 (f) Be nationally normed.

24 (g) Provide information to educators about student growth and
25 allow for multiple testing opportunities.

26 (5) By not later than ~~June 15, 2023,~~ **September 25, 2023,** the
27 department shall submit a report to the house and senate
28 appropriations committees, the house and senate appropriations
29 subcommittees on school aid, and the house and senate fiscal



1 agencies regarding the benchmark assessment data received under
 2 this section, disaggregated by grade level and demographic subgroup
 3 for each district. If information concerning pupil growth is
 4 included in the data described in this subsection, it must be
 5 incorporated in the report described in this subsection.

6 (6) The department shall approve ~~at least 4 but not more than~~
 7 ~~6-NWEA, Curriculum Associates, Data Recognition Corporation,~~
 8 **Renaissance Learning, and Istation as benchmark assessment**
 9 **providers and may approve additional** providers of benchmark
 10 assessments for the purposes of this section. The department shall
 11 inform districts of all of the providers approved under this
 12 subsection in an equitable manner. The benchmark assessments, with
 13 the exclusion of the benchmark assessment described in subsection
 14 (4), provided by approved providers under this subsection must meet
 15 all of the following:

16 (a) Be aligned to the content standards of this state.

17 (b) Complement the state's summative assessment system.

18 (c) Be internet-delivered and include a standards-based
 19 remote, in-person, or both remote and in-person assessment using a
 20 computer-adaptive model to target the instructional level of each
 21 pupil.

22 (d) Provide information on pupil achievement with regard to
 23 learning content required in a given year or grade span.

24 (e) Provide immediate feedback to pupils and teachers.

25 (f) Be nationally normed.

26 (g) Provide multiple measures of growth and provide for
 27 multiple testing opportunities.

28 **Sec. 104i. (1) From the state school aid fund money**
 29 **appropriated under section 11, there is allocated for 2022-2023 an**



1 amount not to exceed \$11,500,000.00 to districts and intermediate
2 districts with enrolled K to 8 pupils to begin implementation of a
3 benchmark assessment system for the 2023-2024 school year. All of
4 the following apply to the benchmark assessment system described in
5 this subsection:

6 (a) The system must provide for all of the following:

7 (i) That, within the first 9 weeks of the 2023-2024 school
8 year, the district shall administer 1 or more benchmark assessments
9 provided by a provider approved under subsection (6), benchmark
10 assessments described in subdivision (b), or local benchmark
11 assessments, or any combination thereof, to all pupils in grades K
12 to 8 to measure proficiency in reading and mathematics.

13 (ii) That, in addition to the benchmark assessment or benchmark
14 assessments administered under subparagraph (i), by not later than
15 the last day of the 2023-2024 school year, the district shall
16 administer 1 or more benchmark assessments provided by a provider
17 approved under subsection (6), benchmark assessments described in
18 subdivision (b), or local benchmark assessments, or any combination
19 thereof, to all pupils in grades K to 8 to measure proficiency in
20 reading and mathematics.

21 (b) A district may administer 1 or more of the following
22 benchmark assessments toward meeting the requirements under
23 subdivision (a):

24 (i) A benchmark assessment in reading for students in grades K
25 to 9 that contains progress monitoring tools and enhanced
26 diagnostic assessments.

27 (ii) A benchmark assessment in math for students in grades K to
28 8 that contains progress monitoring tools.

29 (c) The system must provide that, to the extent practicable,



1 if a district administers a benchmark assessment or benchmark
2 assessments under this section, the district shall administer the
3 same benchmark assessment or benchmark assessments provided by a
4 provider approved under subsection (6), benchmark assessment or
5 benchmark assessments described in subdivision (b), or local
6 benchmark assessment or local benchmark assessments that it
7 administered to pupils in previous school years, as applicable.

8 (d) The system must provide that, if a district administers a
9 benchmark assessment or benchmark assessments under this section,
10 the district shall provide each pupil's data from the benchmark
11 assessment or benchmark assessments, as available, to the pupil's
12 parent or legal guardian within 30 days of administering the
13 benchmark assessment or benchmark assessments.

14 (e) The system must provide that, if a local benchmark
15 assessment or local benchmark assessments are administered under
16 subdivision (a), the district shall report to the department and
17 the center, in a form and manner prescribed by the center, the
18 local benchmark assessment or local benchmark assessments that were
19 administered and how that assessment or those assessments measure
20 changes, including any losses, as applicable, in learning, and the
21 district's plan for addressing any losses in learning.

22 (f) The system must provide that, by not later than 30 days
23 after a benchmark assessment or benchmark assessments are
24 administered under subdivision (a)(ii), or within the time frame
25 specified by the department, the district shall send benchmark
26 assessment data from all benchmark assessments administered in the
27 2023-2024 school year, excluding data from a local benchmark
28 assessment, as applicable, including grade level, student
29 demographics, and mode of instruction to the department in a form

1 and manner prescribed by the department. If available, the data
2 described in this subdivision must include information concerning
3 pupil growth from fall 2023 to spring 2024.

4 (2) To receive funding under this section, a district must
5 apply for the funding in a form and manner prescribed by the
6 department.

7 (3) The department shall pay an amount equal to \$12.50 per
8 membership pupil in grades K to 8 in the district to each district
9 that applies for funding under this section.

10 (4) The department shall make 1 of the benchmark assessments
11 provided by a provider approved under subsection (6) available to
12 districts at no cost to the districts for purposes of meeting the
13 requirements under this section. The benchmark assessment described
14 in this subsection must meet all of the following:

15 (a) Be aligned to the content standards of this state.

16 (b) Complement the state's summative assessment system.

17 (c) Be internet-delivered and include a standards-based
18 assessment.

19 (d) Provide information on pupil achievement with regard to
20 learning content required in a given year or grade span.

21 (e) Provide timely feedback to pupils and teachers.

22 (f) Be nationally normed.

23 (g) Provide information to educators about student growth and
24 allow for multiple testing opportunities.

25 (5) By not later than September 25, 2024, the department shall
26 submit a report to the house and senate appropriations committees,
27 the house and senate appropriations subcommittees on school aid,
28 and the house and senate fiscal agencies regarding the benchmark
29 assessment data received under this section, disaggregated by grade



1 level and demographic subgroup for each district. If information
 2 concerning pupil growth is included in the data described in this
 3 subsection, it must be incorporated in the report described in this
 4 subsection.

5 (6) The department shall approve NWEA, Curriculum Associates,
 6 Data Recognition Corporation, Renaissance Learning, and Istation as
 7 benchmark assessment providers and may approve additional providers
 8 of benchmark assessments for the purposes of this section. The
 9 department shall inform districts of all of the providers approved
 10 under this subsection in an equitable manner. The benchmark
 11 assessments, with the exclusion of the benchmark assessment
 12 described in subsection (4), provided by approved providers under
 13 this subsection must meet all of the following:

14 (a) Be aligned to the content standards of this state.

15 (b) Complement the state's summative assessment system.

16 (c) Be internet-delivered and include a standards-based
 17 remote, in-person, or both remote and in-person assessment using a
 18 computer-adaptive model to target the instructional level of each
 19 pupil.

20 (d) Provide information on pupil achievement with regard to
 21 learning content required in a given year or grade span.

22 (e) Provide immediate feedback to pupils and teachers.

23 (f) Be nationally normed.

24 (g) Provide multiple measures of growth and provide for
 25 multiple testing opportunities.

26 Sec. 107. (1) From the appropriation in section 11, there is
 27 allocated an amount not to exceed \$30,000,000.00 for ~~2021-2022~~
 28 **2022-2023** for adult education programs authorized under this
 29 section. Except as otherwise provided under subsections (14) and



1 (15), funds allocated under this section are restricted for adult
2 education programs as authorized under this section only. A
3 recipient of funds under this section shall not use those funds for
4 any other purpose.

5 (2) To be eligible for funding under this section, an eligible
6 adult education provider shall employ certificated teachers and
7 qualified administrative staff and shall offer continuing education
8 opportunities for teachers to allow them to maintain certification.

9 (3) To be eligible to be a participant funded under this
10 section, an individual must be enrolled in an adult basic education
11 program, an adult secondary education program, an adult English as
12 a second language program, a high school equivalency test
13 preparation program, or a high school completion program, that
14 meets the requirements of this section, and for which instruction
15 is provided, and the individual must be at least 18 years of age by
16 July 1 of the program year and the individual's graduating class
17 must have graduated.

18 (4) By April 1 of each fiscal year, the intermediate districts
19 within a prosperity region or subregion shall determine which
20 intermediate district will serve as the prosperity region's or
21 subregion's fiscal agent for the next fiscal year and shall notify
22 the department in a form and manner determined by the department.
23 The department shall approve or disapprove of the prosperity
24 region's or subregion's selected fiscal agent. From the funds
25 allocated under subsection (1), an amount as determined under this
26 subsection is allocated to each intermediate district serving as a
27 fiscal agent for adult education programs in each of the prosperity
28 regions or subregions identified by the department. An intermediate
29 district shall not use more than 5% of the funds allocated under



1 this subsection for administration costs for serving as the fiscal
2 agent. The allocation provided to each intermediate district
3 serving as a fiscal agent must be calculated as follows:

4 (a) Sixty percent of this portion of the funding must be
5 distributed based upon the proportion of the state population of
6 individuals between the ages of 18 and 24 that are not high school
7 graduates that resides in each of the prosperity regions or
8 subregions located within the intermediate district, as reported by
9 the most recent 5-year estimates from the American Community Survey
10 (ACS) from the United States Census Bureau.

11 (b) Thirty-five percent of this portion of the funding must be
12 distributed based upon the proportion of the state population of
13 individuals age 25 or older who are not high school graduates that
14 resides in each of the prosperity regions or subregions located
15 within the intermediate district, as reported by the most recent 5-
16 year estimates from the ACS from the United States Census Bureau.

17 (c) Five percent of this portion of the funding must be
18 distributed based upon the proportion of the state population of
19 individuals age 18 or older who lack basic English language
20 proficiency that resides in each of the prosperity regions or
21 subregions located within the intermediate district, as reported by
22 the most recent 5-year estimates from the ACS from the United
23 States Census Bureau.

24 (5) To be an eligible fiscal agent, an intermediate district
25 must agree to do the following in a form and manner determined by
26 the department:

27 (a) Distribute funds to adult education programs in a
28 prosperity region or subregion as described in this section.

29 (b) Collaborate with the career and educational advisory



1 council, which is an advisory council of the workforce development
2 boards located in the prosperity region or subregion, or its
3 successor, to develop a regional strategy that aligns adult
4 education programs and services into an efficient and effective
5 delivery system for adult education learners, with special
6 consideration for providing contextualized learning and career
7 pathways and addressing barriers to education and employment.

8 (c) Collaborate with the career and educational advisory
9 council, which is an advisory council of the workforce development
10 boards located in the prosperity region or subregion, or its
11 successor, to create a local process and criteria that will
12 identify eligible adult education providers to receive funds
13 allocated under this section based on location, demand for
14 services, past performance, quality indicators as identified by the
15 department, and cost to provide instructional services. The fiscal
16 agent shall determine all local processes, criteria, and provider
17 determinations. However, the local processes, criteria, and
18 provider services must be approved by the department before funds
19 may be distributed to the fiscal agent.

20 (d) Provide oversight to its adult education providers
21 throughout the program year to ensure compliance with the
22 requirements of this section.

23 (e) Report adult education program and participant data and
24 information as prescribed by the department.

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

29 (a) The program enrolls adults who are determined by a



1 department-approved assessment, in a form and manner prescribed by
2 the department, to be below twelfth grade level in reading or
3 mathematics, or both, or to lack basic English proficiency.

4 (b) The program tests individuals for eligibility under
5 subdivision (a) before enrollment and upon completion of the
6 program in compliance with the state-approved assessment policy.

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

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

11 (ii) The participant fails to show progress on 2 successive
12 assessments after having completed at least 450 hours of
13 instruction.

14 (d) A participant in an adult secondary education program is
15 eligible for reimbursement until 1 of the following occurs:

16 (i) The participant's reading and mathematics proficiency are
17 assessed above the twelfth grade level.

18 (ii) The participant fails to show progress on 2 successive
19 assessments after having at least 450 hours of instruction.

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

23 (i) The participant is assessed as having attained basic
24 English proficiency as determined by a department-approved
25 assessment.

26 (ii) The participant fails to show progress on 2 successive
27 department-approved assessments after having completed at least 450
28 hours of instruction. The department shall provide information to a
29 funding recipient regarding appropriate assessment instruments for



1 this program.

2 (7) A high school equivalency test preparation program
3 operated on a year-round or school year basis may be funded under
4 this section, subject to all of the following:

5 (a) The program enrolls adults who do not have a high school
6 diploma or a high school equivalency certificate.

7 (b) The program administers a pre-test approved by the
8 department before enrolling an individual to determine the
9 individual's literacy levels, administers a high school equivalency
10 practice test to determine the individual's potential for success
11 on the high school equivalency test, and administers a post-test
12 upon completion of the program in compliance with the state-
13 approved assessment policy.

14 (c) A funding recipient receives funding according to
15 subsection (9) for a participant, and a participant may be enrolled
16 in the program until 1 of the following occurs:

17 (i) The participant achieves a high school equivalency
18 certificate.

19 (ii) The participant fails to show progress on 2 successive
20 department-approved assessments used to determine readiness to take
21 a high school equivalency test after having completed at least 450
22 hours of instruction.

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

26 (a) The program enrolls adults who do not have a high school
27 diploma.

28 (b) The program tests participants described in subdivision

29 (a) before enrollment and upon completion of the program in



1 compliance with the state-approved assessment policy.

2 (c) A funding recipient receives funding according to
3 subsection (9) for a participant in a course offered under this
4 subsection until 1 of the following occurs:

5 (i) The participant passes the course and earns a high school
6 diploma.

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

10 (9) The department shall make payments to a funding recipient
11 under this section in accordance with all of the following:

12 (a) Statewide allocation criteria, including 3-year average
13 enrollments, census data, and local needs.

14 (b) Participant completion of the adult basic education
15 objectives by achieving an educational gain as determined by the
16 national reporting system levels; for achieving basic English
17 proficiency, as determined by the department; for achieving a high
18 school equivalency certificate or passage of 1 or more individual
19 high school equivalency tests; for attainment of a high school
20 diploma or passage of a course required for a participant to attain
21 a high school diploma; for enrollment in a postsecondary
22 institution, or for entry into or retention of employment, as
23 applicable.

24 (c) Participant completion of core indicators as identified in
25 the innovation and opportunity act.

26 (d) Allowable expenditures.

27 (10) ~~A person~~ **An individual** who is not eligible to be a
28 participant funded under this section may receive adult education
29 services upon the payment of tuition. In addition, ~~a person~~ **an**



1 **individual** who is not eligible to be served in a program under this
2 section due to the program limitations specified in subsection (6),
3 (7), or (8) may continue to receive adult education services in
4 that program upon the payment of tuition. The local or intermediate
5 district conducting the program shall determine the tuition amount.

6 (11) An individual who is an inmate in a state correctional
7 facility is not counted as a participant under this section.

8 (12) A funding recipient shall not commingle money received
9 under this section or from another source for adult education
10 purposes with any other funds and shall establish a separate ledger
11 account for funds received under this section. This subsection does
12 not prohibit a district from using general funds of the district to
13 support an adult education or community education program.

14 (13) A funding recipient receiving funds under this section
15 may establish a sliding scale of tuition rates based upon a
16 participant's family income. A funding recipient may charge a
17 participant tuition to receive adult education services under this
18 section from that sliding scale of tuition rates on a uniform
19 basis. The amount of tuition charged per participant must not
20 exceed the actual operating cost per participant minus any funds
21 received under this section per participant. A funding recipient
22 may not charge a participant tuition under this section if the
23 participant's income is at or below 200% of the federal poverty
24 guidelines published by the United States Department of Health and
25 Human Services.

26 (14) In order to receive funds under this section, a funding
27 recipient shall furnish to the department, in a form and manner
28 determined by the department, all information needed to administer
29 this program and meet federal reporting requirements; shall allow



1 the department or the department's designee to review all records
2 related to the program for which it receives funds; and shall
3 reimburse the state for all disallowances found in the review, as
4 determined by the department. In addition, a funding recipient
5 shall agree to pay to a career and technical education program
6 under section 61a the amount of funding received under this section
7 in the proportion of career and technical education coursework used
8 to satisfy adult basic education programming, as billed to the
9 funding recipient by programs operating under section 61a. In
10 addition to the funding allocated under subsection (1), there is
11 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed
12 \$500,000.00 to reimburse funding recipients for administrative and
13 instructional expenses associated with commingling programming
14 under this section and section 61a. The department shall make
15 payments under this subsection to each funding recipient in the
16 same proportion as funding calculated and allocated under
17 subsection (4).

18 (15) From the amount appropriated in subsection (1), an amount
19 not to exceed \$4,000,000.00 is allocated for ~~2021-2022-2022-2023~~
20 for grants to adult education or state-approved career technical
21 center programs that connect adult education participants with
22 employers as provided under this subsection. The department shall
23 determine the amount of the grant to each program under this
24 subsection, not to exceed \$350,000.00. To be eligible for funding
25 under this subsection, a program must provide a collaboration
26 linking adult education programs within the county, the area career
27 technical center, and local employers. To receive funding under
28 this subsection, an eligible program must satisfy all of the
29 following:



1 (a) Connect adult education participants directly with
2 employers by linking adult education, career and technical skills,
3 and workforce development.

4 (b) Require adult education staff to work with Michigan Works!
5 agency to identify a cohort of participants who are most prepared
6 to successfully enter the workforce. Except as otherwise provided
7 under this subdivision, participants identified under this
8 subsection must be dually enrolled in adult education programming
9 and in at least 1 state-approved technical course at the area
10 career and technical center. A program that links participants
11 identified under this subsection with adult education programming
12 and commercial driver license courses does not need to enroll the
13 participants in at least 1 state-approved technical course at the
14 area career and technical center to be considered an eligible
15 program under this subsection.

16 (c) Employ an individual staffed as an adult education
17 navigator who will serve as a caseworker for each participant
18 identified under subdivision (b). The navigator shall work with
19 adult education staff and potential employers to design an
20 educational program best suited to the personal and employment
21 needs of the participant and shall work with human service agencies
22 or other entities to address any barrier in the way of participant
23 access.

24 (16) Each program funded under subsection (15) will receive
25 funding for 3 years. After 3 years of operations and funding, a
26 program must reapply for funding.

27 (17) Not later than December 1 of each year, a program funded
28 under subsection (15) shall provide a report to the senate and
29 house appropriations subcommittees on school aid, to the senate and



1 house fiscal agencies, and to the state budget director identifying
2 the number of participants, graduation rates, and a measure of
3 transition to employment.

4 (18) Except as otherwise provided in this subsection,
5 participants under subsection (15) must be concurrently enrolled
6 and actively working toward obtaining a high school diploma or a
7 high school equivalency certificate. Concurrent enrollment is not
8 required under this subsection for a participant that was enrolled
9 in adult education during the same program year and obtained a high
10 school diploma or a high school equivalency certificate prior to
11 enrollment in an eligible career and technical skills program under
12 subsection (15). Up to ~~25%~~ 15% of adult education participants
13 served under subsection (15) may already have a high school diploma
14 or a high school equivalency certificate at the time of enrollment
15 in an eligible career and technical skills program under subsection
16 (15) and receive remediation services. It is intended that the cap
17 described in the immediately preceding sentence is continually
18 lowered on an annual basis until it eventually is 0%.

19 (19) The department shall approve at least 3 high school
20 equivalency tests and determine whether a high school equivalency
21 certificate meets the requisite standards for high school
22 equivalency in this state.

23 (20) As used in this section:

24 (a) "Career and educational advisory council" means an
25 advisory council to the local workforce development boards located
26 in a prosperity region consisting of educational, employer, labor,
27 and parent representatives.

28 (b) "Career pathway" means a combination of rigorous and high-
29 quality education, training, and other services that comply with



1 all of the following:

2 (i) Aligns with the skill needs of industries in the economy of
3 this state or in the regional economy involved.

4 (ii) Prepares an individual to be successful in any of a full
5 range of secondary or postsecondary education options, including
6 apprenticeships registered under the act of August 16, 1937,
7 commonly referred to as the national apprenticeship act, 29 USC 50
8 et seq.

9 (iii) Includes counseling to support an individual in achieving
10 the individual's education and career goals.

11 (iv) Includes, as appropriate, education offered concurrently
12 with and in the same context as workforce preparation activities
13 and training for a specific occupation or occupational cluster.

14 (v) Organizes education, training, and other services to meet
15 the particular needs of an individual in a manner that accelerates
16 the educational and career advancement of the individual to the
17 extent practicable.

18 (vi) Enables an individual to attain a secondary school diploma
19 or its recognized equivalent, and at least 1 recognized
20 postsecondary credential.

21 (vii) Helps an individual enter or advance within a specific
22 occupation or occupational cluster.

23 (c) "Department" means the department of labor and economic
24 opportunity.

25 (d) "Eligible adult education provider" means a district,
26 intermediate district, a consortium of districts, a consortium of
27 intermediate districts, or a consortium of districts and
28 intermediate districts that is identified as part of the local
29 process described in subsection (5)(c) and approved by the



1 department.

2 Sec. 147. (1) The allocation for ~~2021-2022-2022-2023~~ for the
3 public school employees' retirement system pursuant to the public
4 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
5 to 38.1437, is made using the individual projected benefit entry
6 age normal cost method of valuation and risk assumptions adopted by
7 the public school employees retirement board and the department of
8 technology, management, and budget.

9 (2) The annual level percentage of payroll contribution rates
10 for the ~~2021-2022-2022-2023~~ fiscal year, as determined by the
11 retirement system, are estimated as follows:

12 (a) ~~Except as otherwise provided in this subdivision, for~~ **For**
13 public school employees who first worked for a public school
14 reporting unit before July 1, 2010 and who are enrolled in the
15 health premium subsidy, the annual level percentage of payroll
16 contribution rate is estimated at ~~43.28%~~ **44.88%** with 28.23% paid
17 directly by the employer. ~~For 2021-2022, if the retirement system~~
18 ~~determines that the annual level percentage of payroll contribution~~
19 ~~rate estimated in the immediately preceding sentence needs to be~~
20 ~~adjusted, the annual level percentage of payroll contribution rate~~
21 ~~estimations under this subdivision are the estimations determined~~
22 ~~by the retirement system. If the retirement system makes a~~
23 ~~determination as described in the immediately preceding sentence,~~
24 ~~it shall issue its estimations publicly and describe the need for~~
25 ~~the adjustment described in the immediately preceding sentence.~~

26 (b) ~~Except as otherwise provided in this subdivision, for~~ **For**
27 public school employees who first worked for a public school
28 reporting unit on or after July 1, 2010 and who are enrolled in the
29 health premium subsidy, the annual level percentage of payroll



1 contribution rate is estimated at ~~40.36%~~ **41.96%** with 25.31% paid
 2 directly by the employer. ~~For 2021-2022, if the retirement system~~
 3 ~~determines that the annual level percentage of payroll contribution~~
 4 ~~rate estimated in the immediately preceding sentence needs to be~~
 5 ~~adjusted, the annual level percentage of payroll contribution rate~~
 6 ~~estimations under this subdivision are the estimations determined~~
 7 ~~by the retirement system. If the retirement system makes a~~
 8 ~~determination as described in the immediately preceding sentence,~~
 9 ~~it shall issue its estimations publicly and describe the need for~~
 10 ~~the adjustment described in the immediately preceding sentence.~~

11 (c) ~~Except as otherwise provided in this subdivision, for~~ **For**
 12 public school employees who first worked for a public school
 13 reporting unit on or after July 1, 2010 and who participate in the
 14 personal healthcare fund, the annual level percentage of payroll
 15 contribution rate is estimated at ~~39.50%~~ **41.10%** with 24.45% paid
 16 directly by the employer. ~~For 2021-2022, if the retirement system~~
 17 ~~determines that the annual level percentage of payroll contribution~~
 18 ~~rate estimated in the immediately preceding sentence needs to be~~
 19 ~~adjusted, the annual level percentage of payroll contribution rate~~
 20 ~~estimations under this subdivision are the estimations determined~~
 21 ~~by the retirement system. If the retirement system makes a~~
 22 ~~determination as described in the immediately preceding sentence,~~
 23 ~~it shall issue its estimations publicly and describe the need for~~
 24 ~~the adjustment described in the immediately preceding sentence.~~

25 (d) ~~Except as otherwise provided in this subdivision, for~~ **For**
 26 public school employees who first worked for a public school
 27 reporting unit on or after September 4, 2012, who elect defined
 28 contribution, and who participate in the personal healthcare fund,
 29 the annual level percentage of payroll contribution rate is

1 estimated at ~~36.01%~~ **37.61%** with 20.96% paid directly by the
 2 employer. ~~For 2021-2022, if the retirement system determines that~~
 3 ~~the annual level percentage of payroll contribution rate estimated~~
 4 ~~in the immediately preceding sentence needs to be adjusted, the~~
 5 ~~annual level percentage of payroll contribution rate estimations~~
 6 ~~under this subdivision are the estimations determined by the~~
 7 ~~retirement system. If the retirement system makes a determination~~
 8 ~~as described in the immediately preceding sentence, it shall issue~~
 9 ~~its estimations publicly and describe the need for the adjustment~~
 10 ~~described in the immediately preceding sentence.~~

11 (e) ~~Except as otherwise provided in this subdivision, for~~ **For**
 12 public school employees who first worked for a public school
 13 reporting unit before July 1, 2010, who elect defined contribution,
 14 and who are enrolled in the health premium subsidy, the annual
 15 level percentage of payroll contribution rate is estimated at
 16 ~~36.87%~~ **38.47%** with 21.82% paid directly by the employer. ~~For 2021-~~
 17 ~~2022, if the retirement system determines that the annual level~~
 18 ~~percentage of payroll contribution rate estimated in the~~
 19 ~~immediately preceding sentence needs to be adjusted, the annual~~
 20 ~~level percentage of payroll contribution rate estimations under~~
 21 ~~this subdivision are the estimations determined by the retirement~~
 22 ~~system. If the retirement system makes a determination as described~~
 23 ~~in the immediately preceding sentence, it shall issue its~~
 24 ~~estimations publicly and describe the need for the adjustment~~
 25 ~~described in the immediately preceding sentence.~~

26 (f) ~~Except as otherwise provided in this subdivision, for~~ **For**
 27 public school employees who first worked for a public school
 28 reporting unit before July 1, 2010, who elect defined contribution,
 29 and who participate in the personal healthcare fund, the annual



1 level percentage of payroll contribution rate is estimated at
 2 ~~36.01%~~ **37.61%** with 20.96% paid directly by the employer. ~~For 2021-~~
 3 ~~2022, if the retirement system determines that the annual level~~
 4 ~~percentage of payroll contribution rate estimated in the~~
 5 ~~immediately preceding sentence needs to be adjusted, the annual~~
 6 ~~level percentage of payroll contribution rate estimations under~~
 7 ~~this subdivision are the estimations determined by the retirement~~
 8 ~~system. If the retirement system makes a determination as described~~
 9 ~~in the immediately preceding sentence, it shall issue its~~
 10 ~~estimations publicly and describe the need for the adjustment~~
 11 ~~described in the immediately preceding sentence.~~

12 (g) ~~Except as otherwise provided in this subdivision, for~~ **For**
 13 public school employees who first worked for a public school
 14 reporting unit before July 1, 2010 and who participate in the
 15 personal healthcare fund, the annual level percentage of payroll
 16 contribution rate is estimated at ~~42.42%~~ **44.02%** with 27.37% paid
 17 directly by the employer. ~~For 2021-2022, if the retirement system~~
 18 ~~determines that the annual level percentage of payroll contribution~~
 19 ~~rate estimated in the immediately preceding sentence needs to be~~
 20 ~~adjusted, the annual level percentage of payroll contribution rate~~
 21 ~~estimations under this subdivision are the estimations determined~~
 22 ~~by the retirement system. If the retirement system makes a~~
 23 ~~determination as described in the immediately preceding sentence,~~
 24 ~~it shall issue its estimations publicly and describe the need for~~
 25 ~~the adjustment described in the immediately preceding sentence.~~

26 (h) ~~Except as otherwise provided in this subdivision, for~~ **For**
 27 public school employees who first worked for a public school
 28 reporting unit after January 31, 2018 and who elect to become
 29 members of the MPSERS plan, the annual level percentage of payroll



1 contribution rate is estimated at ~~42.21%~~ **43.81%** with 27.16% paid
 2 directly by the employer. ~~For 2021-2022, if the retirement system~~
 3 ~~determines that the annual level percentage of payroll contribution~~
 4 ~~rate estimated in the immediately preceding sentence needs to be~~
 5 ~~adjusted, the annual level percentage of payroll contribution rate~~
 6 ~~estimations under this subdivision are the estimations determined~~
 7 ~~by the retirement system. If the retirement system makes a~~
 8 ~~determination as described in the immediately preceding sentence,~~
 9 ~~it shall issue its estimations publicly and describe the need for~~
 10 ~~the adjustment described in the immediately preceding sentence.~~

11 (3) In addition to the employer payments described in
 12 subsection (2), the employer shall pay the applicable contributions
 13 to the Tier 2 plan, as determined by the public school employees
 14 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

15 (4) The contribution rates in subsection (2) reflect an
 16 amortization period of 17 years for ~~2021-2022.~~ **2022-2023.** The
 17 public school employees' retirement system board shall notify each
 18 district and intermediate district by February 28 of each fiscal
 19 year of the estimated contribution rate for the next fiscal year.

20 Sec. 147a. (1) From the ~~appropriation~~ **state school aid fund**
 21 **money appropriated** in section 11, there is allocated ~~for 2020-2021~~
 22 ~~an amount not to exceed \$100,000,000.00 and for 2021-2022~~ **2022-2023**
 23 ~~an amount not to exceed \$100,000,000.00 for payments to~~
 24 ~~participating districts. A participating district that receives~~
 25 ~~money under this subsection shall use that money solely for the~~
 26 ~~purpose of offsetting a portion of the retirement contributions~~
 27 ~~owed by the district for the fiscal year in which it is received.~~
 28 The amount allocated to each participating district under this
 29 subsection is based on each participating district's percentage of



the total statewide payroll for all participating districts for the immediately preceding fiscal year. As used in this subsection, "participating district" means a district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(2) In addition to the allocation under subsection (1), from the state school aid fund money appropriated under section 11, there is allocated ~~an amount not to exceed \$190,430,000.00 for 2020-2021 and an amount not to exceed \$177,400,000.00~~ **\$172,100,000.00** for ~~2021-2022-2022-2023~~ for payments to participating districts and intermediate districts and from the general fund money appropriated under section 11, there is allocated ~~an amount not to exceed \$70,000.00 for 2020-2021 and an amount not to exceed \$60,000.00~~ **\$50,000.00** for ~~2021-2022-2022-2023~~ for payments to participating district libraries. The amount allocated to each participating entity under this subsection is based on each participating entity's reported quarterly payroll for members that became tier 1 prior to February 1, 2018 for the current fiscal year. A participating entity that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the normal cost contribution rate. As used in this subsection:

(a) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(b) "Participating entity" means a district, intermediate



district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

Sec. 147c. From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed ~~\$1,468,500,000.00~~**\$1,478,000,000.00** for payments to districts and intermediate districts that are participating entities of the Michigan public school employees' retirement system. In addition, from the general fund money appropriated in section 11, there is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed \$500,000.00 for payments to district libraries that are participating entities of the Michigan public school employees' retirement system. All of the following apply to funding under this section:

(a) Except as otherwise provided in this subdivision, for ~~2021-2022~~**2022-2023**, the amounts allocated under this section are estimated to provide an average MPSEERS rate cap per pupil amount of ~~\$911.00~~**\$1,042.00** and are estimated to provide a rate cap per pupil for districts ranging between \$5.00 and **\$3,700.00**. ~~\$4,200.00~~. For ~~2021-2022~~, if the retirement system determines the average MPSEERS rate cap per pupil amount and rate cap per pupil for districts estimated in the immediately preceding sentence need to be adjusted, the estimated average MPSEERS rate cap per pupil amount and estimated rate cap per pupil for districts under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described



~~in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.~~

(b) Payments made under this section are equal to the difference between the unfunded actuarial accrued liability contribution rate as calculated pursuant to section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(c) The amount allocated to each participating entity under this section is based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year for the same type of participating entities. A participating entity that receives funds under this section shall use the funds solely for the purpose of retirement contributions as specified in subdivision (d).

(d) Each participating entity receiving funds under this section shall forward an amount equal to the amount allocated under subdivision (c) to the retirement system in a form, manner, and time frame determined by the retirement system.

(e) Funds allocated under this section should be considered when comparing a district's growth in total state aid funding from 1 fiscal year to the next.

(f) Not later than December 20, ~~2021~~, **2022**, the department shall publish and post on its website an estimated MPSERS rate cap



1 per pupil for each district.

2 (g) The office of retirement services shall first apply funds
3 allocated under this section to pension contributions and, if any
4 funds remain after that payment, shall apply those remaining funds
5 to other postemployment benefit contributions.

6 (h) As used in this section:

7 (i) "District library" means a district library established
8 under the district library establishment act, 1989 PA 24, MCL
9 397.171 to 397.196.

10 (ii) "MPSERS rate cap per pupil" means an amount equal to the
11 quotient of the district's payment under this section divided by
12 the district's pupils in membership.

13 (iii) "Participating entity" means a district, intermediate
14 district, or district library that is a reporting unit of the
15 Michigan public school employees' retirement system under the
16 public school employees retirement act of 1979, 1980 PA 300, MCL
17 38.1301 to 38.1437, and that reports employees to the Michigan
18 public school employees' retirement system for the applicable
19 fiscal year.

20 ~~(iv) "Retirement board" means the board that administers the~~
21 ~~retirement system under the public school employees retirement act~~
22 ~~of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.~~

23 (iv) ~~(v)~~ "Retirement system" means the Michigan public school
24 employees' retirement system under the public school employees
25 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

26 Sec. 147e. (1) From the state school aid fund money
27 appropriated in section 11, ~~there is allocated for 2020-2021 an~~
28 ~~amount not to exceed \$33,800,000.00 and there is allocated for~~
29 ~~2021-2022-2022-2023 an amount not to exceed \$65,300,000.00~~



1 **\$69,300,000.00** for payments to participating entities.

2 (2) The payment to each participating entity under this
3 section is the sum of the amounts under this subsection as follows:

4 (a) An amount equal to the contributions made by a
5 participating entity for the additional contribution made to a
6 qualified participant's Tier 2 account in an amount equal to the
7 contribution made by the qualified participant not to exceed 3% of
8 the qualified participant's compensation as provided for under
9 section 131(6) of the public school employees retirement act of
10 1979, 1980 PA 300, MCL 38.1431.

11 (b) Beginning October 1, 2017, an amount equal to the
12 contributions made by a participating entity for a qualified
13 participant who is only a Tier 2 qualified participant under
14 section 81d of the public school employees retirement act of 1979,
15 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning
16 February 1, 2018, not to exceed 1%, of the qualified participant's
17 compensation.

18 (c) An amount equal to the increase in employer normal cost
19 contributions under section 41b(2) of the public school employees
20 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
21 that was hired after February 1, 2018 and chose to participate in
22 Tier 1, compared to the employer normal cost contribution for a
23 member under section 41b(1) of the public school employees
24 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

25 (3) As used in this section:

26 (a) "Member" means that term as defined under the public
27 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
28 to 38.1437.

29 (b) "Participating entity" means a district, intermediate



1 district, or community college that is a reporting unit of the
2 Michigan public school employees' retirement system under the
3 public school employees retirement act of 1979, 1980 PA 300, MCL
4 38.1301 to 38.1437, and that reports employees to the Michigan
5 public school employees' retirement system for the applicable
6 fiscal year.

7 (c) "Qualified participant" means that term as defined under
8 section 124 of the public school employees retirement act of 1979,
9 1980 PA 300, MCL 38.1424.

10 Sec. 152a. (1) As required by the court in the consolidated
11 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from
12 the state school aid fund money appropriated in section 11, there
13 is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed
14 \$38,000,500.00 to be used solely for the purpose of paying
15 necessary costs related to the state-mandated collection,
16 maintenance, and reporting of data to this state.

17 (2) From the allocation in subsection (1), the department
18 shall make payments to districts and intermediate districts in an
19 equal amount per pupil based on the total number of pupils in
20 membership in each district and intermediate district. The
21 department shall not make any adjustment to these payments after
22 the final installment payment under section 17b is made.

23 Sec. 152b. (1) From the general fund money appropriated under
24 section 11, there is allocated an amount not to exceed
25 \$1,000,000.00 for ~~2021-2022~~**2022-2023** to reimburse actual costs
26 incurred by nonpublic schools in complying with a health, safety,
27 or welfare requirement mandated by a law or administrative rule of
28 this state.

29 (2) By January 1 of each applicable fiscal year, the



1 department shall publish a form for reporting actual costs incurred
2 by a nonpublic school in complying with a health, safety, or
3 welfare requirement mandated under state law containing each
4 health, safety, or welfare requirement mandated by a law or
5 administrative rule of this state applicable to a nonpublic school
6 and with a reference to each relevant provision of law or
7 administrative rule for the requirement. The form ~~shall~~**must** be
8 posted on the department's website in electronic form.

9 (3) By June 30 of each applicable fiscal year, a nonpublic
10 school seeking reimbursement for actual costs incurred in complying
11 with a health, safety, or welfare requirement under a law or
12 administrative rule of this state during each applicable school
13 year ~~shall~~**must** submit a completed form described in subsection (2)
14 to the department. This section does not require a nonpublic school
15 to submit a form described in subsection (2). A nonpublic school is
16 not eligible for reimbursement under this section if the nonpublic
17 school does not submit the form described in subsection (2) in a
18 timely manner.

19 (4) By August 15 of each applicable fiscal year, the
20 department shall distribute funds to each nonpublic school that
21 submits a completed form described under subsection (2) in a timely
22 manner. The superintendent shall determine the amount of funds to
23 be paid to each nonpublic school in an amount that does not exceed
24 the nonpublic school's actual costs in complying with a health,
25 safety, or welfare requirement under a law or administrative rule
26 of this state. The superintendent shall calculate a nonpublic
27 school's actual cost in accordance with this section.

28 (5) If the funds allocated under this section are insufficient
29 to fully fund payments as otherwise calculated under this section,



1 the department shall distribute funds under this section on a
2 prorated or other equitable basis as determined by the
3 superintendent.

4 (6) The department may review the records of a nonpublic
5 school submitting a form described in subsection (2) only for the
6 limited purpose of verifying the nonpublic school's compliance with
7 this section. If a nonpublic school does not allow the department
8 to review records under this subsection, the nonpublic school is
9 not eligible for reimbursement under this section.

10 (7) The funds appropriated under this section ~~are for purposes~~
11 ~~related to education, are considered to be incidental to the~~
12 ~~operation of a nonpublic school, are noninstructional in character,~~
13 **are for purposes that are incidental to teaching and the provision**
14 **of educational services to nonpublic school students; that are**
15 **noninstructional in nature; that do not constitute a primary**
16 **function or element necessary for a nonpublic school's existence,**
17 **operation, and survival; that do not involve or result in excessive**
18 **religious entanglement; and that** are intended for the public
19 purpose of ensuring the health, safety, and welfare of the children
20 in nonpublic schools and to reimburse nonpublic schools for costs
21 described in this section.

22 (8) Funds allocated under this section are not intended to aid
23 or maintain any nonpublic school, support the attendance of any
24 student at a nonpublic school, employ any person at a nonpublic
25 school, support the attendance of any student at any location where
26 instruction is offered to a nonpublic school student, or support
27 the employment of any person at any location where instruction is
28 offered to a nonpublic school student.

29 (9) For purposes of this section, "actual cost" means the



1 hourly wage for the employee or employees performing a task or
 2 tasks required to comply with a health, safety, or welfare
 3 requirement under a law or administrative rule of this state
 4 identified by the department under subsection (2) and is to be
 5 calculated in accordance with the form published by the department
 6 under subsection (2), which ~~shall~~**must** include a detailed
 7 itemization of costs. The nonpublic school shall not charge more
 8 than the hourly wage of its lowest-paid employee capable of
 9 performing a specific task regardless of whether that individual is
 10 available and regardless of who actually performs a specific task.
 11 Labor costs under this subsection ~~shall~~**must** be estimated and
 12 charged in increments of 15 minutes or more, with all partial time
 13 increments rounded down. When calculating costs under subsection
 14 (4), fee components ~~shall~~**must** be itemized in a manner that
 15 expresses both the hourly wage and the number of hours charged. The
 16 nonpublic school may not charge any applicable labor charge amount
 17 to cover or partially cover the cost of health or fringe benefits.
 18 A nonpublic school shall not charge any overtime wages in the
 19 calculation of labor costs.

20 ~~(10) For the purposes of this section, the actual cost~~
 21 ~~incurred by a nonpublic school for taking daily student attendance~~
 22 ~~shall be considered an actual cost in complying with a health,~~
 23 ~~safety, or welfare requirement under a law or administrative rule~~
 24 ~~of this state. Training fees, inspection fees, and criminal~~
 25 ~~background check fees are considered actual costs in complying with~~
 26 ~~a health, safety, or welfare requirement under a law or~~
 27 ~~administrative rule of this state.~~

28 ~~(11) The funds allocated under this section for 2017-2018 are~~
 29 ~~a work project appropriation, and any unexpended funds for 2017-~~

~~2018 are carried forward into 2018-2019. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2022.~~

~~(12) The funds allocated under this section for 2018-2019 are a work project appropriation, and any unexpended funds for 2018-2019 are carried forward into 2019-2020. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2022.~~

(11) ~~(13)~~ The funds allocated under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2023.

(12) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30,



1 2024.

2 (13) ~~(14)~~—The department shall reimburse nonpublic schools for
 3 actual costs incurred in complying with health, safety, or welfare
 4 requirements under a law or administrative rule of this state from
 5 ~~2018–2019–2017–2018~~ through ~~2020–2021–2021–2022~~ using work project
 6 funds or, if those funds are insufficient to fund reimbursements
 7 under this subsection, from the allocation under subsection (1).

8 Sec. 166a. (1) In order to avoid forfeiture of state aid under
 9 subsection (2), the board of a district or intermediate district
 10 providing reproductive health or other sex education instruction
 11 under section 1169, 1506, or 1507 of the revised school code, MCL
 12 380.1169, 380.1506, and 380.1507, or under any other provision of
 13 law, shall ensure that all of the following are met:

14 (a) That the district or intermediate district does not
 15 provide any of the instruction to a pupil who is less than 18 years
 16 of age unless the district or intermediate district notifies the
 17 pupil's parent or legal guardian in advance of the instruction and
 18 the content of the instruction, gives the pupil's parent or legal
 19 guardian a prior opportunity to review the materials to be used in
 20 the instruction, allows the pupil's parent or legal guardian to
 21 observe the instruction, and notifies the pupil's parent or legal
 22 guardian in advance of his or her rights to observe the instruction
 23 and to have the pupil excused from the instruction.

24 (b) That, upon the written request of a pupil's parent or
 25 legal guardian or of a pupil if the pupil is at least age 18, the
 26 pupil is excused, without penalty or loss of academic credit, from
 27 attending class sessions in which the instruction is provided.

28 (c) That the sex education instruction includes age-
 29 appropriate information clearly informing pupils at 1 or more age-



1 appropriate grade levels that having sex or sexual contact with an
2 individual under the age of 16 is a crime punishable by
3 imprisonment, and that 1 of the other **possible** results of being
4 convicted of this crime is to be listed on the sex offender
5 registry on the internet for up to 25 years.

6 ~~(d) That the district or intermediate district has adopted and~~
7 ~~implemented a disciplinary policy as required under section 166.~~

8 (2) If a parent or legal guardian of a pupil enrolled in a
9 district or intermediate district believes that the district or
10 intermediate district has violated this section ~~, section 166,~~ or
11 section 1169, 1506, or 1507 of the revised school code, MCL
12 380.1169, 380.1506, and 380.1507, he or she may file a complaint
13 with the superintendent or chief administrator of the district or
14 intermediate district in which the pupil is enrolled. Upon receipt
15 of the complaint, the superintendent or chief administrator of the
16 district or intermediate district shall investigate the complaint
17 and, within 30 days after the date of the complaint, provide a
18 written report of his or her findings to the parent or legal
19 guardian who filed the complaint and to the superintendent of
20 public instruction. If the investigation reveals that 1 or more
21 violations have occurred, the written report must contain a
22 description of each violation and of corrective action the district
23 or intermediate district will take to correct the situation to
24 ensure that there is no further violation. The district or
25 intermediate district shall take the corrective action described in
26 the written report within 30 days after the date of the written
27 report.

28 (3) If a parent who has filed a complaint with a district
29 under subsection (2) believes that the district is still not in



1 compliance with law based on the findings made by the
2 superintendent or chief administrator of the district, the parent
3 may appeal the findings to the intermediate district in which the
4 district is located. If there is an appeal to an intermediate
5 district under this subsection, the intermediate superintendent of
6 the intermediate district shall investigate the complaint and,
7 within 30 days after the date of the appeal, provide a written
8 report of his or her findings to the parent or legal guardian who
9 filed the appeal and to the superintendent of public instruction.
10 If the investigation by the intermediate superintendent reveals
11 that 1 or more violations have occurred, the intermediate
12 superintendent in consultation with the local district shall
13 develop a plan for corrective action for the district to take to
14 correct the situation to ensure that there is no further violation,
15 and shall include this plan for corrective action with the written
16 report provided to the parent or legal guardian and the
17 superintendent of public instruction. The district shall take the
18 corrective action described in the plan within 30 days after the
19 date of the written report.

20 (4) If a parent who has filed a complaint with an intermediate
21 district under subsection (2) or a parent who has filed an appeal
22 with an intermediate district under subsection (3) believes that
23 the district or intermediate district is still not in compliance
24 with law based on the findings made by the intermediate
25 superintendent of the intermediate district, the parent may appeal
26 the findings to the department. If there is an appeal to the
27 department under this subsection, the department shall investigate
28 the complaint and, within 90 days after the date of the appeal,
29 provide a written report of its findings to the parent or legal



guardian who filed the appeal, to the superintendent of public instruction, and to the district and intermediate district. If the department finds 1 or more violations as a result of its investigation, then all of the following apply:

(a) The department shall develop a plan for corrective action for the district or intermediate district to take to correct the situation to ensure that there is no further violation, and shall include this plan for corrective action with the written report provided to the parent or legal guardian, the superintendent of public instruction, and the district or intermediate district. The district or intermediate district shall take the corrective action described in the plan within 30 days after the date of the written report.

(b) In addition to withholding the percentage of state school aid forfeited by the district or intermediate district under subsection (5), the department may assess a fee to the district or intermediate district that committed the violation in an amount not to exceed the actual cost to the department of conducting the investigation and making the reports required under this subsection.

(5) If an investigation conducted by the department under subsection (4) reveals that a district or intermediate district has committed 1 or more violations of this section ~~, section 166,~~ or section 1169, 1506, or 1507 of the revised school code, MCL 380.1169, 380.1506, and 380.1507, the district or intermediate district forfeits an amount equal to 1% of its total state school aid allocation under this act.

(6) The department, with the approval of the superintendent of public instruction, shall establish a reasonable process for a



1 complainant to appeal to the department under subsection (4). The
2 department shall ensure that the process does not place an undue
3 burden on the complainant, the district or intermediate district,
4 or the department.

5 Enacting section 1. In accordance with section 30 of article
6 IX of the state constitution of 1963, total state spending on
7 school aid under article I of the state school aid act of 1979,
8 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2021 PA 48 and
9 by this amendatory act, from state sources for fiscal year 2021-
10 2022 is estimated at \$14,933,532,200.00 and state appropriations
11 for school aid to be paid to local units of government for fiscal
12 year 2021-2022 are estimated at \$14,723,072,700.00. In accordance
13 with section 30 of article IX of the state constitution of 1963,
14 total state spending on school aid under article I of the state
15 school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as
16 amended by this amendatory act, from state sources for fiscal year
17 2022-2023 is estimated at \$15,648,760,500.00 and state
18 appropriations for school aid to be paid to local units of
19 government for fiscal year 2022-2023 are estimated at
20 \$14,383,148,600.00.

21 Enacting section 2. (1) Section 67b of the state school aid
22 act of 1979, 1979 PA 94, MCL 388.1667b, is repealed on enactment of
23 this amendatory act.

24 (2) Sections 11o, 11r, 22g, 51g, 61g, 94c, 99i, 99w, 99z,
25 104a, 104g, and 166 of the state school aid act of 1979, 1979 PA
26 94, MCL 388.1611o, 388.1611r, 388.1622g, 388.1651g, 388.1661g,
27 388.1694c, 388.1699w, 388.1699z, 388.1704a, 388.1704g, and
28 388.1766, are repealed effective October 1, 2022.

29 Enacting section 3. (1) Sections 11, 20, 21f, 22a, 22b, 24,



1 26c, 31d, 31f, 31j, 31o, 31z, 51a, 81, 101, and 104h of the state
2 school aid act of 1979, 1979 PA 94, MCL 388.1611, 388.1620,
3 388.1621f, 388.1622a, 388.1622b, 388.1624, 388.1626c, 388.1631d,
4 388.1631f, 388.1631j, 388.1631o, 388.1631z, 388.1651a, 388.1681,
5 388.1701, and 388.1704h, as amended, and section 8c of the state
6 school aid act of 1979, 1979 PA 94, as added, by this amendatory
7 act, if granted immediate effect pursuant to section 27 of article
8 IV of the state constitution of 1963, take effect on enactment of
9 this amendatory act.

10 (2) Except as otherwise provided for those sections listed in
11 subsection (1), the remaining sections of this amendatory act take
12 effect October 1, 2022.