

**SUBSTITUTE FOR
SENATE BILL NO. 83**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18,
19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f,
25g, 25i, 26a, 26b, 26c, 28, 29a, 31a, 31d, 31f, 31j, 31m, 31n,
32d, 32p, 35a, 35b, 35d, 35e, 35f, 39, 39a, 41, 51a, 51c, 51d, 51f,
53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61d, 62, 65, 67, 67a, 74, 81,
94, 94a, 95b, 98, 98d, 99h, 99i, 99s, 99t, 99u, 99w, 99x, 99z, 101,
104, 104a, 104f, 104g, 105, 105c, 107, 147, 147a, 147b, 147c, 147e,
152a, and 152b (MCL 388.1604, 388.1606, 388.1606a, 388.1611,
388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615,
388.1618, 388.1619, 388.1620, 388.1620d, 388.1620f, 388.1621f,
388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622m, 388.1622p,

388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1625i, 388.1626a, 388.1626b, 388.1626c, 388.1628, 388.1629a, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631m, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1635d, 388.1635e, 388.1635f, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651f, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1698, 388.1698d, 388.1699h, 388.1699i, 388.1699s, 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1699z, 388.1701, 388.1704, 388.1704a, 388.1704f, 388.1704g, 388.1705, 388.1705c, 388.1707, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, and 388.1752b), section 4 as amended by 2019 PA 58, sections 6, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 32d, 32p, 35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61d, 62, 65, 67, 74, 81, 94, 94a, 95b, 98, 99h, 99s, 99t, 99u, 99w, 99x, 101, 104, 105, 105c, 107, 147, 147a, 147c, 147e, and 152a as amended by 2020 PA 165, section 6a as amended by 2020 PA 149, sections 11, 21f, and 31n as amended by 2021 PA 3, sections 19, 147b, and 152b as amended by 2018 PA 265, sections 25i, 29a, 35d, 35e, 35f, 67a, 98d, 99i, 99z, 104f, and 104g as added by 2020 PA 165, section 31m as added by 2018 PA 265, section 104a as added by 2021 PA 3, and by adding sections 20m, 25k, 26d, 31p, 51g, 51h, 61g, 78, 94c, 97, 98b, 98e, and 167c; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) "Elementary pupil" means a pupil in membership in
2 grades K to 8 in a district not maintaining classes above ~~the~~

1 ~~eight~~-grade 8 or in grades K to 6 in a district maintaining
2 classes above ~~the eighth~~-grade 8 or a child enrolled and in regular
3 attendance in a publicly funded prekindergarten setting.

4 (2) "Extended school year" means an educational program
5 conducted by a district in which pupils must be enrolled but not
6 necessarily in attendance on the pupil membership count day in an
7 extended year program. The mandatory clock hours must be completed
8 by each pupil not more than 365 calendar days after the pupil's
9 first day of classes for the school year prescribed. The department
10 shall prescribe pupil, personnel, and other reporting requirements
11 for the educational program.

12 (3) "Fiscal year" means the state fiscal year that commences
13 October 1 and continues through September 30.

14 (4) "High school equivalency certificate" means a certificate
15 granted for the successful completion of a high school equivalency
16 test.

17 (5) "High school equivalency test" means the G.E.D. test
18 developed by the GED Testing Service, ~~the Test Assessing Secondary~~
19 ~~Completion (TASC) developed by CTS/McGraw-Hill,~~ the HISET test
20 developed by Educational Testing Service (ETS), or another
21 comparable test approved by the department of labor and economic
22 opportunity.

23 (6) "High school equivalency test preparation program" means a
24 program that has high school level courses in English language
25 arts, social studies, science, and mathematics and that prepares an
26 individual to successfully complete a high school equivalency test.

27 (7) "High school pupil" means a pupil in membership in grades
28 7 to 12, except in a district not maintaining grades above ~~the~~
29 ~~eight~~-grade 8.

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

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

23 (3) "District and high school graduation report" means a
24 report of the number of pupils, excluding adult education
25 participants, in the district for the immediately preceding school
26 year, adjusted for those pupils who have transferred into or out of
27 the district or high school, who leave high school with a diploma
28 or other credential of equal status.

29 (4) "Membership", except as otherwise provided in this

1 subsection or this article, means for a district, a public school
 2 academy, or an intermediate district the sum of the product of .90
 3 times the number of full-time equated pupils in grades K to 12
 4 actually enrolled and in regular daily attendance in the district,
 5 public school academy, or intermediate district on the pupil
 6 membership count day for the current school year, plus the product
 7 of .10 times the final audited count from the supplemental count
 8 day of full-time equated pupils in grades K to 12 actually enrolled
 9 and in regular daily attendance in the district, public school
 10 academy, or intermediate district for the immediately preceding
 11 school year. A district's, public school academy's, or intermediate
 12 district's membership is adjusted as provided under section 25e for
 13 pupils who enroll after the pupil membership count day in a strict
 14 discipline academy operating under sections 1311b to 1311m of the
 15 revised school code, MCL 380.1311b to 380.1311m. For ~~2020-2021~~
 16 **2021-2022** only, membership means for a district, a public school
 17 academy, or an intermediate district, the sum of the product of ~~.75~~
 18 **.90** times the ~~district's, public school academy's, or intermediate~~
 19 ~~district's 2019-2020 membership as calculated under this section in~~
 20 ~~2019-2020~~ **number of full-time equated pupils engaged in pandemic**
 21 **learning for fall 2021 or, for a public school academy that**
 22 **operates as a cyber school, as that term is defined in section 551**
 23 **of the revised school code, MCL 380.551, the number of full-time**
 24 **equated pupils in grades K to 12 actually enrolled and in regular**
 25 **daily attendance in the public school academy on pupil membership**
 26 **count day for the current school year** and the product of ~~.25~~ **.10**
 27 times ~~[the sum of (the product of .90 times the number of full-time~~
 28 ~~equated pupils engaged in pandemic learning for fall 2020 or, for a~~
 29 ~~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 number of full-time equated pupils in grades K to 12 actually~~
~~enrolled and in regular daily attendance in the public school~~
~~academy on pupil membership count day for the current school year)~~
~~and (the product of .10 times 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~~
~~district, public school academy, or intermediate district for the~~
~~immediately preceding school year)]~~. **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

1 membership.

2 (b) If a pupil is educated in a district other than the
3 pupil's district of residence, if the pupil is not being educated
4 as part of a cooperative education program, if the pupil's district
5 of residence does not give the educating district its approval to
6 count the pupil in membership in the educating district, and if the
7 pupil is not covered by an exception specified in subsection (6) to
8 the requirement that the educating district must have the approval
9 of the pupil's district of residence to count the pupil in
10 membership, the pupil is not counted in membership in any district.

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

13 (d) A pupil placed by a court or state agency in an on-grounds
14 program of a juvenile detention facility, a child caring
15 institution, or a mental health institution, or a pupil funded
16 under section 53a, is counted in membership in the district or
17 intermediate district approved by the department to operate the
18 program.

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

22 (f) A pupil enrolled in a career and technical education
23 program supported by a millage levied over an area larger than a
24 single district or in an area vocational-technical education
25 program established under section 690 of the revised school code,
26 MCL 380.690, is counted in membership only in the pupil's district
27 of residence.

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

(h) For the purposes of this section and section 6a, for a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, that is in compliance with section 553a of the revised school code, MCL 380.553a, a pupil's participation in the cyber school's educational program is considered regular daily attendance, and for a district or public school academy, a pupil's participation in a virtual course as that term is defined in section 21f is considered regular daily attendance. For the purposes of this subdivision, for a pupil enrolled in a cyber school and utilizing sequential learning, participation means that term as defined in the pupil accounting manual, section ~~5-o-d-5-O-~~
D: requirements for counting pupils in membership-subsection 10.

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

(i) Except as otherwise provided in this subparagraph, if operations begin before the pupil membership count day for the fiscal year, membership is the average number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year and on the supplemental count day for the current school year, as determined by the department and calculated by adding the number of pupils registered for attendance on the pupil membership count day 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, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2. However, for ~~2020-2021~~-**2021-2022** only, if operations begin before the pupil membership count day for the

fiscal year, except 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, membership is the average number of full-time equated pupils engaged in pandemic learning for fall 2020-2021 and full-time equated pupils ~~engaged in pandemic learning for spring 2021, as that term is defined in section 6a,~~ **in grades K to 12 actually enrolled and in regular daily attendance on the supplemental count day for the current school year** as determined by the department and calculated by adding the number of pupils registered for attendance on the pupil membership count day 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, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

(ii) If operations begin after the pupil membership count day for the fiscal year and not later than the supplemental count day for the fiscal year, membership is the final audited count of the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the supplemental count day for the current school year. ~~, but, for 2020-2021 only, except 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, membership is the final audited count of the number of full-time equated pupils engaged in pandemic learning for spring 2021, as that term is defined in section 6a.~~

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

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

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

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

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

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

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

27 (B) Had dropped out of school.

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

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

8 (m) An individual who has achieved a high school diploma is
9 not counted in membership. An individual who has achieved a high
10 school equivalency certificate is not counted in membership unless
11 the individual is a student with a disability as that term is
12 defined in R 340.1702 of the Michigan Administrative Code. An
13 individual participating in a job training program funded under
14 former section 107a or a jobs program funded under former section
15 107b, administered by the department of labor and economic
16 opportunity, or participating in any successor of either of those 2
17 programs, is not counted in membership.

18 (n) If a pupil counted in membership in a public school
19 academy is also educated by a district or intermediate district as
20 part of a cooperative education program, the pupil is counted in
21 membership only in the public school academy unless a written
22 agreement signed by all parties designates the party or parties in
23 which the pupil is counted in membership, and the instructional
24 time scheduled for the pupil in the district or intermediate
25 district is included in the full-time equated membership
26 determination under subdivision (q) and section 101. However, for
27 pupils receiving instruction in both a public school academy and in
28 a district or intermediate district but not as a part of a
29 cooperative education program, the following apply:

1 (i) If the public school academy provides instruction for at
2 least 1/2 of the class hours required under section 101, the public
3 school academy receives as its prorated share of the full-time
4 equated membership for each of those pupils an amount equal to 1
5 times the product of the hours of instruction the public school
6 academy provides divided by the number of hours required under
7 section 101 for full-time equivalency, and the remainder of the
8 full-time membership for each of those pupils is allocated to the
9 district or intermediate district providing the remainder of the
10 hours of instruction.

11 (ii) If the public school academy provides instruction for less
12 than 1/2 of the class hours required under section 101, the
13 district or intermediate district providing the remainder of the
14 hours of instruction receives as its prorated share of the full-
15 time equated membership for each of those pupils an amount equal to
16 1 times the product of the hours of instruction the district or
17 intermediate district provides divided by the number of hours
18 required under section 101 for full-time equivalency, and the
19 remainder of the full-time membership for each of those pupils is
20 allocated to the public school academy.

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

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

28 (q) The number of class hours used to calculate full-time
29 equated memberships must be consistent with section 101. In

1 determining full-time equated memberships for pupils who are
2 enrolled in a postsecondary institution or for pupils engaged in an
3 internship or work experience under section 1279h of the revised
4 school code, MCL 380.1279h, a pupil is not considered to be less
5 than a full-time equated pupil solely because of the effect of his
6 or her postsecondary enrollment or engagement in the internship or
7 work experience, including necessary travel time, on the number of
8 class hours provided by the district to the pupil.

9 (r) Full-time equated memberships for pupils in kindergarten
10 are determined by dividing the number of instructional hours
11 scheduled and provided per year per kindergarten pupil by the same
12 number used for determining full-time equated memberships for
13 pupils in grades 1 to 12. However, to the extent allowable under
14 federal law, for a district or public school academy that provides
15 evidence satisfactory to the department that it used federal title
16 I money in the 2 immediately preceding school fiscal years to fund
17 full-time kindergarten, full-time equated memberships for pupils in
18 kindergarten are determined by dividing the number of class hours
19 scheduled and provided per year per kindergarten pupil by a number
20 equal to 1/2 the number used for determining full-time equated
21 memberships for pupils in grades 1 to 12. The change in the
22 counting of full-time equated memberships for pupils in
23 kindergarten that took effect for 2012-2013 is not a mandate.

24 (s) For a district or a public school academy that has pupils
25 enrolled in a grade level that was not offered by the district or
26 public school academy in the immediately preceding school year, the
27 number of pupils enrolled in that grade level to be counted in
28 membership is the average of the number of those pupils enrolled
29 and in regular daily attendance on the pupil membership count day

1 and the supplemental count day of the current school year, but, for
 2 ~~2020-2021-2021-2022~~ only, except for a public school academy that
 3 operates as a cyber school, as that term is defined in section 551
 4 of the revised school code, MCL 380.551, the number of pupils
 5 enrolled in that grade level to be counted in membership is the
 6 average of the number of those pupils engaged in pandemic learning
 7 for fall ~~2020-2021~~ and the number of those pupils ~~engaged in~~
 8 ~~pandemic learning for spring 2021, as that term is defined in~~
 9 ~~section 6a,~~ **enrolled and in regular daily attendance on the**
 10 **supplemental count day for the current school year,** as determined
 11 by the department. Membership is calculated by adding the number of
 12 pupils registered for attendance in that grade level on the pupil
 13 membership count day plus pupils received by transfer and minus
 14 pupils lost as defined by rules promulgated by the superintendent,
 15 and as corrected by subsequent department audit, plus the final
 16 audited count from the supplemental count day for the current
 17 school year, and dividing that sum by 2.

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

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

1 the district may count the pupil in membership on a pro rata basis,
2 with the proration based on the number of hours of instruction the
3 district actually provides to the pupil divided by the number of
4 hours required under section 101 for full-time equivalency. For the
5 purposes of this subdivision, a district is considered to be
6 providing appropriate instruction if all of the following are met:

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

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

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

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

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

25 (w) For a public school academy that has been in operation for
26 at least 2 years and that suspended operations for at least 1
27 semester and is resuming operations, membership is the sum of the
28 product of .90 times the number of full-time equated pupils in
29 grades K to 12 actually enrolled and in regular daily attendance on

1 the first pupil membership count day or supplemental count day,
 2 whichever is first, occurring after operations resume, plus the
 3 product of .10 times the final audited count from the most recent
 4 pupil membership count day or supplemental count day that occurred
 5 before suspending operations, as determined by the superintendent,
 6 but, for ~~2020-2021~~ **2021-2022** only, except for a public school
 7 academy that operates as a cyber school, as that term is defined in
 8 section 551 of the revised school code, MCL 380.551, membership is
 9 the sum of the product of .90 times the number of full-time equated
 10 pupils engaged in pandemic learning for fall ~~2020-2021~~ or the
 11 number of full-time equated pupils engaged in ~~pandemic learning for~~
 12 ~~spring 2021, as that term is defined in section 6a,~~ **grades K to 12**
 13 **actually enrolled and in regular daily attendance on the**
 14 **supplemental count day**, whichever applies first after operations
 15 resume, plus the product of .10 times the final audited count from
 16 the most recent pupil membership count day or supplemental count
 17 day that occurred before suspending operations, as determined by
 18 the superintendent.

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

1 mileage of both districts in determining the number of pupils per
 2 square mile for each of the districts for the purposes of this
 3 subdivision. If a district has established a community engagement
 4 advisory committee in partnership with the department of treasury,
 5 is required to submit a deficit elimination plan or an enhanced
 6 deficit elimination plan under section 1220 of the revised school
 7 code, MCL 380.1220, and is located in a city with a population
 8 between 9,000 and 11,000, **as determined by the department**, that is
 9 in a county with a population between ~~155,000~~ **150,000** and 160,000,
 10 **as determined by the department**, the district's membership is
 11 considered to be the membership figure calculated under this
 12 subdivision. The membership figure calculated under this
 13 subdivision is the greater of the following:

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

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

21 (y) Full-time equated memberships for special education pupils
 22 who are not enrolled in kindergarten but are enrolled in a
 23 classroom program under R 340.1754 of the Michigan Administrative
 24 Code are determined by dividing the number of class hours scheduled
 25 and provided per year by 450. Full-time equated memberships for
 26 special education pupils who are not enrolled in kindergarten but
 27 are receiving early childhood special education services under R
 28 340.1755 or R 340.1862 of the Michigan Administrative Code are
 29 determined by dividing the number of hours of service scheduled and

1 provided per year per-pupil by 180.

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

7 (aa) For the first year in which a pupil is counted in
8 membership on the pupil membership count day in a middle college
9 program, the membership is the average of the full-time equated
10 membership on the pupil membership count day and on the
11 supplemental count day for the current school year, as determined
12 by the department. If a pupil described in this subdivision was
13 counted in membership by the operating district on the immediately
14 preceding supplemental count day, the pupil is excluded from the
15 district's immediately preceding supplemental count for the
16 purposes of determining the district's membership.

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

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

24 (dd) For a pupil enrolled in a dropout recovery program that
25 meets the requirements of section 23a, the pupil is counted as 1/12
26 of a full-time equated membership for each month that the district
27 operating the program reports that the pupil was enrolled in the
28 program and was in full attendance. However, if the special
29 membership counting provisions under this subdivision and the

1 operation of the other membership counting provisions under this
2 subsection result in a pupil being counted as more than 1.0 FTE in
3 a fiscal year, the payment made for the pupil under sections 22a
4 and 22b must not be based on more than 1.0 FTE for that pupil, and
5 any portion of an FTE for that pupil that exceeds 1.0 is instead
6 paid under section 25g. The district operating the program shall
7 report to the center the number of pupils who were enrolled in the
8 program and were in full attendance for a month not later than 30
9 days after the end of the month. A district shall not report a
10 pupil as being in full attendance for a month unless both of the
11 following are met:

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

15 (ii) The pupil meets the district's definition under section
16 23a of satisfactory monthly progress for that month or, if the
17 pupil does not meet that definition of satisfactory monthly
18 progress for that month, the pupil did meet that definition of
19 satisfactory monthly progress in the immediately preceding month
20 and appropriate interventions are implemented within 10 school days
21 after it is determined that the pupil does not meet that definition
22 of satisfactory monthly progress.

23 (ee) A pupil participating in a virtual course under section
24 21f is counted in membership in the district enrolling the pupil.

25 (ff) If a public school academy that is not in its first or
26 second year of operation closes at the end of a school year and
27 does not reopen for the next school year, the department shall
28 adjust the membership count of the district or other public school
29 academy in which a former pupil of the closed public school academy

1 enrolls and is in regular daily attendance for the next school year
2 to ensure that the district or other public school academy receives
3 the same amount of membership aid for the pupil as if the pupil
4 were counted in the district or other public school academy on the
5 supplemental count day of the preceding school year.

6 (gg) If a special education pupil is expelled under section
7 1311 or 1311a of the revised school code, MCL 380.1311 and
8 380.1311a, and is not in attendance on the pupil membership count
9 day because of the expulsion, and if the pupil remains enrolled in
10 the district and resumes regular daily attendance during that
11 school year, the district's membership is adjusted to count the
12 pupil in membership as if he or she had been in attendance on the
13 pupil membership count day.

14 (hh) A pupil enrolled in a community district is counted in
15 membership in the community district.

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

19 (jj) A district that borders another state or a public school
20 academy that operates at least grades 9 to 12 and is located within
21 20 miles of a border with another state may count in membership a
22 pupil who is enrolled in a course at a college or university that
23 is located in the bordering state and within 20 miles of the border
24 with this state if all of the following are met:

25 (i) The pupil would meet the definition of an eligible student
26 under the postsecondary enrollment options act, 1996 PA 160, MCL
27 388.511 to 388.524, if the course were an eligible course under
28 that act.

29 (ii) The course in which the pupil is enrolled would meet the

1 definition of an eligible course under the postsecondary enrollment
2 options act, 1996 PA 160, MCL 388.511 to 388.524, if the course
3 were provided by an eligible postsecondary institution under that
4 act.

5 (iii) The department determines that the college or university
6 is an institution that, in the other state, fulfills a function
7 comparable to a state university or community college, as those
8 terms are defined in section 3 of the postsecondary enrollment
9 options act, 1996 PA 160, MCL 388.513, or is an independent
10 nonprofit degree-granting college or university.

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

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

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

28 (ll) If a district's or public school academy's membership for
29 a particular fiscal year, as otherwise calculated under this

subsection, includes pupils counted in membership who are enrolled under section 166b, all of the following apply for the purposes of this subdivision:

(i) If the district's or public school academy's membership for pupils counted under section 166b equals or exceeds 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 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% of the district's or public school academy's membership for pupils not counted in membership under section 166b.

(B) 10% 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.

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

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

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

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

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

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

19 (f) A pupil who has made an official written complaint or
20 whose parent or legal guardian has made an official written
21 complaint to law enforcement officials and to school officials of
22 the pupil's district of residence that the pupil has been the
23 victim of a criminal sexual assault or other serious assault, if
24 the official complaint either indicates that the assault occurred
25 at school or that the assault was committed by 1 or more other
26 pupils enrolled in the school the pupil would otherwise attend in
27 the district of residence or by an employee of the district of
28 residence. A person who intentionally makes a false report of a
29 crime to law enforcement officials for the purposes of this

subdivision is subject to section 411a of the Michigan penal code, 1931 PA 328, MCL 750.411a, which provides criminal penalties for that conduct. As used in this subdivision:

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

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

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

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

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

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

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

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

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

1 (j) A pupil who is the child of a person who works at the
2 district or who is the child of a person who worked at the district
3 as of the time the pupil first enrolled in the district but who no
4 longer works at the district due to a workforce reduction. As used
5 in this subdivision, "child" includes an adopted child, stepchild,
6 or legal ward.

7 (k) An expelled pupil who has been denied reinstatement by the
8 expelling district and is reinstated by another school board under
9 section 1311 or 1311a of the revised school code, MCL 380.1311 and
10 380.1311a.

11 (l) A pupil enrolled in a district other than the pupil's
12 district of residence in a middle college program if the pupil's
13 district of residence and the enrolling district are both
14 constituent districts of the same intermediate district.

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

18 (n) A pupil enrolled in a district other than the pupil's
19 district of residence under section 1148(2) of the revised school
20 code, MCL 380.1148.

21 (o) A pupil who enrolls in a district other than the pupil's
22 district of residence as a result of the pupil's school not making
23 adequate yearly progress under the no child left behind act of
24 2001, Public Law 107-110, or the every student succeeds act, Public
25 Law 114-95.

26 However, if a district educates pupils who reside in another
27 district and if the primary instructional site for those pupils is
28 established by the educating district after 2009-2010 and is
29 located within the boundaries of that other district, the educating

1 district must have the approval of that other district to count
2 those pupils in membership.

3 (7) "Pupil membership count day" of a district or intermediate
4 district means:

5 (a) Except as provided in subdivision (b), the first Wednesday
6 in October each school year or, for a district or building in which
7 school is not in session on that Wednesday due to conditions not
8 within the control of school authorities, with the approval of the
9 superintendent, the immediately following day on which school is in
10 session in the district or building. A district is considered to be
11 in session for purposes of this subdivision when the district is
12 providing pupil instruction pursuant to an extended COVID-19
13 learning plan approved under section ~~98a-98b~~.

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

- 16 (i) Fourth Wednesday in July.
17 (ii) First Wednesday in October.
18 (iii) Second Wednesday in February.
19 (iv) Fourth Wednesday in April.

20 (8) "Pupils in grades K to 12 actually enrolled and in regular
21 daily attendance" means pupils in grades K to 12 in attendance and
22 receiving instruction in all classes for which they are enrolled on
23 the pupil membership count day or the supplemental count day, as
24 applicable. Except as otherwise provided in this subsection, a
25 pupil who is absent from any of the classes in which the pupil is
26 enrolled on the pupil membership count day or supplemental count
27 day and who does not attend each of those classes during the 10
28 consecutive school days immediately following the pupil membership
29 count day or supplemental count day, except for a pupil who has

1 been excused by the district, is not counted as 1.0 full-time
 2 equated membership. A pupil who is excused from attendance on the
 3 pupil membership count day or supplemental count day and who fails
 4 to attend each of the classes in which the pupil is enrolled within
 5 30 calendar days after the pupil membership count day or
 6 supplemental count day is not counted as 1.0 full-time equated
 7 membership. In addition, a pupil who was enrolled and in attendance
 8 in a district, intermediate district, or public school academy
 9 before the pupil membership count day or supplemental count day of
 10 a particular year but was expelled or suspended on the pupil
 11 membership count day or supplemental count day is only counted as
 12 1.0 full-time equated membership if the pupil resumed attendance in
 13 the district, intermediate district, or public school academy
 14 within 45 days after the pupil membership count day or supplemental
 15 count day of that particular year. A pupil not counted as 1.0 full-
 16 time equated membership due to an absence from a class is counted
 17 as a prorated membership for the classes the pupil attended. For
 18 purposes of this subsection, "class" means ~~a~~**either of the**
 19 **following, as applicable:**

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

25 (b) **For the 2020-2021 school year only, a period of time in 1**
 26 **day when pupils and a certificated teacher, a teacher engaged to**
 27 **teach under section 1233b of the revised school code, MCL**
 28 **380.1233b, or an individual working under a valid substitute**
 29 **permit, authorization, or approval issued by the department are**

1 **together and instruction is taking place.**

2 (9) "Pupils engaged in pandemic learning for fall ~~2020~~**-2021**"
 3 means pupils in grades K to 12 who are enrolled in a district,
 4 excluding a district that operates as a cyber school, as that term
 5 is defined in section 551 of the revised school code, MCL 380.551,
 6 or intermediate district and to which any of the following apply:

7 (a) For **a district to which section 98b(1)(a)(i) or (ii) applies**
 8 **on pupil membership count day or for an intermediate district, for**
 9 a pupil who is not learning sequentially, any of the following
 10 occurs for each of the pupil's scheduled courses:

11 (i) The pupil attends a live lesson from the pupil's teacher or
 12 at least 1 of the pupil's teachers on ~~2020-2021~~**-2021-2022** pupil
 13 membership count day.

14 (ii) The pupil logs into an online or virtual lesson or lesson
 15 activity on ~~2020-2021~~**-2021-2022** pupil membership count day and the
 16 login can be documented by the district or intermediate district.

17 (iii) The pupil and the pupil's teacher or at least 1 of the
 18 pupil's teachers engage in a subject-oriented telephone
 19 conversation on ~~2020-2021~~**-2021-2022** pupil membership count day.

20 (iv) The district or intermediate district documents that an
 21 ~~electronic mail~~**-email** dialogue occurred between the pupil and the
 22 pupil's teacher or at least 1 of the pupil's teachers on ~~2020-2021~~
 23 **-2021-2022** pupil membership count day.

24 (b) For **a district to which section 98b(1)(a)(i) or (ii) applies**
 25 **on pupil membership count day or for an intermediate district, for**
 26 a pupil who is using sequential learning, any of the following
 27 occurs for each of the pupil's scheduled courses:

28 (i) The pupil attends a virtual course where synchronous, live
 29 instruction occurs with the pupil's teacher or at least 1 of the

pupil's teachers on ~~2020-2021~~**2021-2022** pupil membership count day and the attendance is documented by the district or intermediate district.

(ii) The pupil completes a course assignment on ~~2020-2021~~**2021-2022** pupil membership count day and the completion is documented by the district or intermediate district.

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

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

(c) ~~At~~**For a district to which section 98b(1) (a) (i) or (ii) applies on pupil membership count day or for an intermediate district, at** a minimum, 1 2-way interaction has occurred between the pupil and the pupil's teacher or at least 1 of the pupil's teachers or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress during the week on which ~~2020-2021~~**2021-2022** pupil membership count day falls and during each week for the 3 consecutive weeks after the week on which ~~2020-2021~~**2021-2022** pupil membership count day falls. A district may utilize 2-way interactions that occur under this subdivision toward meeting the requirement under section 101(3) (h). As used in this subdivision:

(i) "2-way interaction" means a communication that occurs between a pupil and the pupil's teacher or at least 1 of the pupil's teachers or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, where 1 party initiates communication and a

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) ~~Electronic mail.~~ **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~~ **For a district to which section 98b(1) (a) (i) or (ii) applies on pupil membership count day or for an intermediate district, the** pupil has not participated in or completed an activity as 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 ~~2020-2021-2021-2022~~ pupil membership count day.

(e) ~~The~~ **For a district to which section 98b(1) (a) (i) or (ii) applies on pupil membership count day or for an intermediate district, the** pupil has not participated in or completed an activity as described in subdivision (a), (b), or (c) and the pupil was excused from participation or completion, but the pupil

1 participates in or completes an activity described in subdivision
 2 (a) or (b) during the 30 calendar days immediately following the
 3 ~~2020-2021-2021-2022~~ pupil membership count day.

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

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

8 **(11)** ~~(10)~~—"Rule" means a rule promulgated pursuant to the
 9 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
 10 24.328.

11 **(12)** ~~(11)~~—"The revised school code" means the revised school
 12 code, 1976 PA 451, MCL 380.1 to 380.1852.

13 **(13)** ~~(12)~~—"School district of the first class", "first class
 14 school district", and "district of the first class" mean, for the
 15 purposes of this article only, a district that had at least 40,000
 16 pupils in membership for the immediately preceding fiscal year.

17 **(14)** ~~(13)~~—"School fiscal year" means a fiscal year that
 18 commences July 1 and continues through June 30.

19 **(15)** ~~(14)~~—"State board" means the state board of education.

20 **(16)** ~~(15)~~—"Superintendent", unless the context clearly refers
 21 to a district or intermediate district superintendent, means the
 22 superintendent of public instruction described in section 3 of
 23 article VIII of the state constitution of 1963.

24 **(17)** ~~(16)~~—"Supplemental count day" means the day on which the
 25 supplemental pupil count is conducted under section 6a or the day
 26 specified as supplemental count day under section 6a.

27 **(18)** ~~(17)~~—"Tuition pupil" means a pupil of school age
 28 attending school in a district other than the pupil's district of
 29 residence for whom tuition may be charged to the district of

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

8 **(19)** ~~(18)~~—"State school aid fund" means the state school aid
 9 fund established in section 11 of article IX of the state
 10 constitution of 1963.

11 **(20)** ~~(19)~~—"Taxable value" means, **except as otherwise provided**
 12 **in this article**, the taxable value of property as determined under
 13 section 27a of the general property tax act, 1893 PA 206, MCL
 14 211.27a.

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

22 **(22)** ~~(21)~~—"Total state aid" or "total state school aid",
 23 except as otherwise provided in this article, means the total
 24 combined amount of all funds due to a district, intermediate
 25 district, or other entity under this article.

26 Sec. 6a. (1) Except as otherwise provided in this subsection
 27 and this act, in addition to the pupil membership count day, there
 28 is a supplemental pupil count of the number of full-time equated
 29 pupils in grades K-12 actually enrolled and in regular daily

1 attendance in a district or intermediate district on the second
2 Wednesday in February or, for a district that is not in session on
3 that day due to conditions not within the control of school
4 authorities, with the approval of the superintendent, the
5 immediately following day on which the district is in session, but,
6 for 2020-2021 only, in addition to the pupil membership count day,
7 there is a supplemental pupil count of the number of full-time
8 equated pupils engaged in pandemic learning for spring 2021 or, for
9 a district that operates as a cyber school, as that term is defined
10 in section 551 of the revised school code, MCL 380.551, the number
11 of full-time equated pupils in grades K to 12 actually enrolled and
12 in regular attendance in the district on 2020-2021 supplemental
13 count day. For the purposes of this act, and except as otherwise
14 provided in this subsection, the day on which the supplemental
15 pupil count is conducted is the supplemental count day. For 2020-
16 2021, for purposes of this act, and except as otherwise
17 specifically provided in this article, supplemental count day is
18 the second Wednesday in February or, for a district that is not in
19 session on that day due to conditions not within the control of
20 school authorities, with the approval of the superintendent, the
21 immediately following day on which the district is in session. A
22 district is considered to be in session for purposes of this
23 subsection when the district is providing pupil instruction
24 pursuant to an extended COVID-19 learning plan approved under
25 section 98a.

26 (2) As used in this section, "pupils engaged in pandemic
27 learning for spring 2021" means pupils in grades K to 12 who are
28 enrolled in a district, excluding a district that operates as a
29 cyber school, as that term is defined in section 551 of the revised

1 school code, MCL 380.551, or intermediate district and to which any
2 of the following apply:

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

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

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

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

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

18 (b) For a pupil who is using sequential learning, any of the
19 following occurs for each of the pupil's scheduled courses:

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

24 (ii) The pupil completes a course assignment on 2020-2021
25 supplemental count day and the completion is documented by the
26 district or intermediate district.

27 (iii) The pupil completes a course lesson or lesson activity on
28 2020-2021 supplemental count day and the completion is documented
29 by the district or intermediate district.

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

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

(i) "2-way interaction" means a communication that occurs between a pupil and the pupil's teacher or at least 1 of the pupil's teachers **or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress**, where 1 party initiates communication and a 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 the 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) ~~Electronic mail.~~ **Email.**

(B) Telephone.

1 (C) Instant messaging.

2 (D) Face-to-face conversation.

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

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

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

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

19 Sec. 11. (1) For the fiscal year ending September 30, 2021,
20 there is appropriated for the public schools of this state and
21 certain other state purposes relating to education the sum of
22 ~~\$13,759,819,500.00~~ **\$13,690,913,900.00** from the state school aid
23 fund, the sum of \$50,964,600.00 from the general fund, an amount
24 not to exceed \$77,700,000.00 from the community district education
25 trust fund created under section 12 of the Michigan trust fund act,
26 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from
27 the water emergency reserve fund. **For the fiscal year ending**
28 **September 30, 2022, there is appropriated for the public schools of**
29 **this state and certain other state purposes relating to education**

1 the sum of **\$13,817,116,400.00** from the state school aid fund, the
 2 sum of **\$63,918,200.00** from the general fund, an amount not to
 3 exceed \$72,000,000.00 from the community district education trust
 4 fund created under section 12 of the Michigan trust fund act, 2000
 5 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from the
 6 water emergency reserve fund. In addition, all available federal
 7 funds are **only** appropriated **as allocated in this article** for the
 8 fiscal ~~year~~**years** ending **September 30, 2021 and** September 30,
 9 ~~2021-2022~~.

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

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

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

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

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

27 (b) Money statutorily dedicated to the school aid
 28 stabilization fund.

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

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

6 (4) The state treasurer shall direct the investment of the
7 school aid stabilization fund. The state treasurer shall credit to
8 the school aid stabilization fund interest and earnings from fund
9 investments.

10 (5) Money in the school aid stabilization fund at the close of
11 a fiscal year remains in the school aid stabilization fund and does
12 not lapse to the unreserved school aid fund balance or the general
13 fund.

14 (6) If the maximum amount appropriated under section 11 from
15 the state school aid fund for a fiscal year exceeds the amount
16 available for expenditure from the state school aid fund for that
17 fiscal year, there is appropriated from the school aid
18 stabilization fund to the state school aid fund an amount equal to
19 the projected shortfall as determined by the department of
20 treasury, but not to exceed available money in the school aid
21 stabilization fund. If the money in the school aid stabilization
22 fund is insufficient to fully fund an amount equal to the projected
23 shortfall, the state budget director shall notify the legislature
24 as required under section 296(2) and state payments in an amount
25 equal to the remainder of the projected shortfall must be prorated
26 in the manner provided under section 296(3).

27 (7) For ~~2020-2021~~, **2021-2022**, in addition to the
28 appropriations in section 11, there is appropriated from the school
29 aid stabilization fund to the state school aid fund the amount

1 necessary to fully fund the allocations under this article.

2 Sec. 11j. From the ~~appropriation~~ **state school aid fund money**
 3 **appropriated** in section 11, there is allocated an amount not to
 4 exceed \$111,000,000.00 for ~~2020-2021~~ **2021-2022** for payments to the
 5 school loan bond redemption fund in the department of treasury on
 6 behalf of districts and intermediate districts. Notwithstanding
 7 section 296 or any other provision of this act, funds allocated
 8 under this section are not subject to proration and must be paid in
 9 full.

10 Sec. 11k. For ~~2020-2021~~, **2021-2022**, there is appropriated from
 11 the general fund to the school loan revolving fund an amount equal
 12 to the amount of school bond loans assigned to the Michigan finance
 13 authority, not to exceed the total amount of school bond loans held
 14 in reserve as long-term assets. As used in this section, "school
 15 loan revolving fund" means that fund created in section 16c of the
 16 shared credit rating act, 1985 PA 227, MCL 141.1066c.

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

24 Sec. 11s. (1) From the state school aid fund money
 25 appropriated in section 11, there is allocated \$5,000,000.00 for
 26 ~~2020-2021~~ **2021-2022** and from the general fund money appropriated in
 27 section 11, there is allocated \$3,075,000.00 for ~~2020-2021~~ **2021-**
 28 **2022** for the purpose of providing services and programs to children
 29 who reside within the boundaries of a district with the majority of

1 its territory located within the boundaries of a city for which an
2 executive proclamation of emergency concerning drinking water is
3 issued in the current or immediately preceding ~~5-6~~ fiscal years
4 under the emergency management act, 1976 PA 390, MCL 30.401 to
5 30.421. From the funding appropriated in section 11, there is
6 allocated for ~~2020-2021~~**2021-2022** \$100.00 from the water emergency
7 reserve fund for the purposes of this section.

8 (2) From the general fund money allocated in subsection (1),
9 there is allocated to a district with the majority of its territory
10 located within the boundaries of a city in which an executive
11 proclamation of emergency **concerning drinking water** is issued in
12 the current or immediately preceding ~~5-6~~ fiscal years and that has
13 at least 4,500 pupils in membership for the 2016-2017 fiscal year
14 or has at least 3,000 pupils in membership for a fiscal year after
15 2016-2017, an amount not to exceed \$2,425,000.00 for ~~2020-2021~~
16 **2021-2022** for the purpose of employing school nurses, classroom
17 aides, and school social workers. The district shall provide a
18 report to the department in a form, manner, and frequency
19 prescribed by the department. The department shall provide a copy
20 of that report to the governor, the house and senate school aid
21 subcommittees, the house and senate fiscal agencies, and the state
22 budget director within 5 days after receipt. The report must
23 provide at least the following information:

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

26 (b) A description of the services provided to pupils by those
27 personnel.

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

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

4 (3) For ~~2020-2021 only,~~ **2021-2022**, from the state school aid
5 fund money allocated in subsection (1), there is allocated an
6 amount not to exceed ~~\$2,400,000.00~~ **\$2,000,000.00** to an intermediate
7 district that has a constituent district described in subsection
8 (2) to provide state early intervention services for children
9 described in subsection (1) who are between age 3 and age 5. The
10 intermediate district shall use these funds to provide state early
11 intervention services that are similar to the services described in
12 the early on Michigan state plan. ~~, including ensuring that all~~
13 ~~children described in subsection (1) who are less than 4 years of~~
14 ~~age as of September 1, 2016 are assessed and evaluated at least~~
15 ~~twice annually.~~

16 (4) From the state school aid fund money allocated in
17 subsection (1), there is allocated an amount not to exceed
18 \$1,000,000.00 for ~~2020-2021~~ **2021-2022** to the intermediate district
19 described in subsection (3) to enroll children described in
20 subsection (1) in school-day great start readiness programs,
21 regardless of household income eligibility requirements contained
22 in section 32d. The department shall administer this funding
23 consistent with all other provisions that apply to great start
24 readiness programs under sections 32d and 39.

25 (5) For ~~2020-2021,~~ **2021-2022**, from the general fund money
26 allocated in subsection (1), there is allocated an amount not to
27 exceed \$650,000.00 for nutritional services to children described
28 in subsection (1).

29 (6) For ~~2020-2021,~~ **2021-2022**, from the state school aid fund

1 money allocated in subsection (1), there is allocated an amount not
 2 to exceed ~~\$1,600,000.00~~ **\$2,000,000.00** to the intermediate district
 3 described in subsection (3) for interventions and supports for
 4 students in K to 12 who were impacted by an executive proclamation
 5 of emergency described in subsection (1) concerning drinking water.
 6 Funds under this subsection must be used for behavioral supports,
 7 social workers, counselors, psychologists, nursing services,
 8 including, but not limited to, vision and hearing services,
 9 transportation services, parental engagement, community
 10 coordination, and other support services.

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

20 **(8) ~~(7)~~**In addition to other funding allocated and
 21 appropriated in this section, there is appropriated an amount not
 22 to exceed \$5,000,000.00 for ~~2020-2021~~ **2021-2022** for state
 23 restricted contingency funds. These contingency funds are not
 24 available for expenditure until they have been transferred to a
 25 section within this article under section 393(2) of the management
 26 and budget act, 1984 PA 431, MCL 18.1393.

27 **(9) ~~(8)~~**Notwithstanding section 17b, the department shall make
 28 payments under this section on a schedule determined by the
 29 department.

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

24 (2) If the result of an audit conducted by or for the
25 department affects the current fiscal year membership, the
26 department shall adjust affected payments in the current fiscal
27 year. A deduction due to an adjustment made as a result of an audit
28 conducted by or for the department, or as a result of information
29 obtained by the department from the district, an intermediate

1 district, the department of treasury, or the office of auditor
2 general, must be deducted from the district's apportionments when
3 the adjustment is finalized. At the request of the district and
4 upon the district presenting evidence satisfactory to the
5 department of the hardship, the department may grant up to an
6 additional 4 years for the adjustment and may advance payments to
7 the district otherwise authorized under this article if the
8 district would otherwise experience a significant hardship in
9 satisfying its financial obligations. However, a district that
10 presented satisfactory evidence of hardship and was undergoing an
11 extended adjustment during 2018-2019 may continue to use the period
12 of extended adjustment as originally granted by the department.

13 (3) If, based on an audit by the department or the
14 department's designee or because of new or updated information
15 received by the department, the department determines that the
16 amount paid to a district or intermediate district under this
17 article for the current fiscal year or a prior fiscal year was
18 incorrect, the department shall make the appropriate deduction or
19 payment in the district's or intermediate district's allocation in
20 the next apportionment after the adjustment is finalized. The
21 department shall calculate the deduction or payment according to
22 the law in effect in the fiscal year in which the incorrect amount
23 was paid. If the district does not receive an allocation for the
24 fiscal year or if the allocation is not sufficient to pay the
25 amount of any deduction, the amount of any deduction otherwise
26 applicable must be satisfied from the proceeds of a loan to the
27 district under the emergency municipal loan act, 1980 PA 243, MCL
28 141.931 to 141.942, or from the proceeds of millage levied or
29 pledged under section 1211 of the revised school code, MCL

1 380.1211, as determined by the department.

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

9 (5) The department may conduct audits, or may direct audits by
10 designee of the department, for the current fiscal year and the
11 immediately preceding fiscal year of all records related to a
12 program for which a district or intermediate district has received
13 funds under this article.

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

17 (7) In addition to funds appropriated in section 11 for all
18 programs and services, there is appropriated for ~~2020-2021~~**2021-**
19 **2022** for obligations in excess of applicable appropriations an
20 amount equal to the collection of overpayments, but not to exceed
21 amounts available from overpayments.

22 Sec. 18. (1) Except as provided in another section of this
23 article, each district or other entity shall apply the money
24 received by the district or entity under this article to salaries
25 and other compensation of teachers and other employees, tuition,
26 transportation, lighting, heating, ventilation, water service, the
27 purchase of textbooks, other supplies, and any other school
28 operating expenditures defined in section 7. However, not more than
29 20% of the total amount received by a district under sections 22a

1 and 22b or received by an intermediate district under section 81
2 may be transferred by the board to either the capital projects fund
3 or to the debt retirement fund for debt service. A district or
4 other entity shall not apply or take the money for a purpose other
5 than as provided in this section. The department shall determine
6 the reasonableness of expenditures and may withhold from a
7 recipient of funds under this article the apportionment otherwise
8 due upon a violation by the recipient. A district must not be
9 prohibited or limited from using funds appropriated or allocated
10 under this article that are permitted for use for noninstructional
11 services to contract or subcontract with an intermediate district,
12 third party, or vendor for the noninstructional services.

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

23 (a) The annual operating budget and subsequent budget
24 revisions.

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

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

1 following subcategories:

2 (A) Salaries and wages.

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

6 (C) Retirement benefit costs.

7 (D) All other personnel costs.

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

10 (A) Instruction.

11 (B) Support services.

12 (C) Business and administration.

13 (D) Operations and maintenance.

14 (c) Links to all of the following:

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

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

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

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

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

28 (vi) The district's written policy establishing specific
29 categories of reimbursable expenses, as described in section

1 1254(2) of the revised school code, MCL 380.1254.

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

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

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

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

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

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

23 (i) Costs incurred for each instance of out-of-state travel by
24 the school administrator of the district that is fully or partially
25 paid for by the district and the details of each of those instances
26 of out-of-state travel, including at least identification of each
27 individual on the trip, destination, and purpose.

28 (3) For the information required under subsection (2) (a),
29 (2) (b) (i), and (2) (c), an intermediate district shall provide the

1 same information in the same manner as required for a district
2 under subsection (2).

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

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

21 (b) If a district operates in a single building with fewer
22 than 700 full-time equated pupils, if the district has stable
23 membership, and if the error rate of the immediately preceding 2
24 pupil accounting field audits of the district is less than 2%, the
25 district may have a pupil accounting field audit conducted
26 biennially but must continue to have desk audits for each pupil
27 count. The auditor must document compliance with the audit cycle in
28 the pupil auditing manual. As used in this subdivision, "stable
29 membership" means that the district's membership for the current

1 fiscal year varies from the district's membership for the
2 immediately preceding fiscal year by less than 5%.

3 (c) A district's or intermediate district's annual financial
4 audit must include an analysis of the financial and pupil
5 accounting data used as the basis for distribution of state school
6 aid.

7 (d) The pupil and financial accounting records and reports,
8 audits, and management letters are subject to requirements
9 established in the auditing and accounting manuals approved and
10 published by the department.

11 (e) All of the following must be done not later than November
12 1 each year for reporting the prior fiscal year data: ~~7 but, for~~
13 ~~2020-2021 only, not later than December 1 for reporting the 2019-~~
14 ~~2020 data-~~

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

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

19 (iii) The intermediate district shall enter the pupil membership
20 audit reports for its constituent districts and for the
21 intermediate district, for the pupil membership count day and
22 supplemental count day, in the Michigan student data system.

23 (f) The annual financial audit reports and pupil accounting
24 procedures reports must be available to the public in compliance
25 with the freedom of information act, 1976 PA 442, MCL 15.231 to
26 15.246.

27 (g) Not later than January 31 of each year, the department
28 shall notify the state budget director and the legislative
29 appropriations subcommittees responsible for review of the school

1 aid budget of districts and intermediate districts that have not
2 filed an annual financial audit and pupil accounting procedures
3 report required under this section for the school year ending in
4 the immediately preceding fiscal year.

5 (5) By the first business day in November of each fiscal year,
6 ~~but, for submission of the 2019-2020 annual comprehensive financial~~
7 ~~data described in this subsection, by the first business day in~~
8 ~~December,~~ each district and intermediate district shall submit to
9 the center, in a manner prescribed by the center, annual
10 comprehensive financial data consistent with the district's or
11 intermediate district's audited financial statements and consistent
12 with accounting manuals and charts of accounts approved and
13 published by the department. For an intermediate district, the
14 report must also contain the website address where the department
15 can access the report required under section 620 of the revised
16 school code, MCL 380.620. The department shall ensure that the
17 prescribed Michigan public school accounting manual chart of
18 accounts includes standard conventions to distinguish expenditures
19 by allowable fund function and object. The functions must include
20 at minimum categories for instruction, pupil support, instructional
21 staff support, general administration, school administration,
22 business administration, transportation, facilities operation and
23 maintenance, facilities acquisition, and debt service; and must
24 include object classifications of salary, benefits, including
25 categories for active employee health expenditures, purchased
26 services, supplies, capital outlay, and other. A district shall
27 report the required level of detail consistent with the manual as
28 part of the comprehensive annual financial report.

29 (6) By the last business day in September of each year, each

1 district and intermediate district shall file with the center the
2 special education actual cost report, known as "SE-4096", on a form
3 and in the manner prescribed by the center. An intermediate
4 district shall certify the audit of a district's report.

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

11 (8) The department shall review its pupil accounting and pupil
12 auditing manuals at least annually and shall periodically update
13 those manuals to reflect changes in this article. **Any changes to**
14 **the pupil accounting manual that are applicable for the school year**
15 **that begins after March 31 of a fiscal year must be published by**
16 **not later than March 31 of that fiscal year.**

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

21 (10) If a district or intermediate district does not comply
22 with subsections (4), (5), (6), (7), and (12), or if the department
23 determines that the financial data required under subsection (5)
24 are not consistent with audited financial statements, the
25 department shall withhold all state school aid due to the district
26 or intermediate district under this article, beginning with the
27 next payment due to the district or intermediate district, until
28 the district or intermediate district complies with subsections
29 (4), (5), (6), (7), and (12). If the district or intermediate

1 district does not comply with subsections (4), (5), (6), (7), and
2 (12) by the end of the fiscal year, the district or intermediate
3 district forfeits the amount withheld.

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

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

26 (13) By March 31 of each year, the department shall submit to
27 the house and senate appropriations subcommittees on state school
28 aid, the state budget director, and the house and senate fiscal
29 agencies a report summarizing the per-pupil costs by vendor type of

1 virtual courses available under section 21f and virtual courses
2 provided by a school of excellence that is a cyber school, as
3 defined in section 551 of the revised school code, MCL 380.551.

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

6 (a) Virtual courses provided by the Michigan Virtual
7 University.

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

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

13 (d) Virtual courses created and offered by a district or
14 intermediate district.

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

18 (16) ~~Beginning October 1, 2020, and annually thereafter, the~~
19 **The** department shall **annually** submit to the senate and house
20 subcommittees on state school aid and to the senate and house
21 standing committees on education an itemized list of allocations
22 under this article to any association or consortium consisting of
23 associations in the immediately preceding fiscal year. The report
24 must detail the recipient or recipients, the amount allocated, and
25 the purpose for which the funds were distributed.

26 Sec. 19. (1) A district or intermediate district shall comply
27 with all applicable reporting requirements specified in state and
28 federal law. Data provided to the center, in a form and manner
29 prescribed by the center, shall be aggregated and disaggregated as

1 required by state and federal law. In addition, a district or
2 intermediate district shall cooperate with all measures taken by
3 the center to establish and maintain a statewide P-20 longitudinal
4 data system.

5 (2) Each district shall furnish to the center not later than 5
6 weeks after the pupil membership count day and by the last business
7 day in June of the school fiscal year ending in the fiscal year, in
8 a manner prescribed by the center, the information necessary for
9 the preparation of the district and high school graduation report,
10 **information regarding completion of early middle college**
11 **credentials obtained and postsecondary credits obtained in any**
12 **college acceleration program, and information necessary** for the
13 preparation of the state and federal accountability reports. This
14 information shall meet requirements established in the pupil
15 auditing manual approved and published by the department. The
16 center shall calculate an annual graduation and pupil dropout rate
17 for each high school, each district, and this state, in compliance
18 with nationally recognized standards for these calculations. The
19 center shall report all graduation and dropout rates to the senate
20 and house education committees and appropriations committees, the
21 state budget director, and the department not later than 30 days
22 after the publication of the list described in subsection (5).
23 Before reporting these graduation and dropout rates, the department
24 shall allow a school or district to appeal the calculations. The
25 department shall consider and act upon the appeal within 30 days
26 after it is submitted and shall not report these graduation and
27 dropout rates until after all appeals have been considered and
28 decided.

29 (3) By the first business day in December and by the last

1 business day in June of each year, a district shall furnish to the
2 center, in a manner prescribed by the center, information related
3 to educational personnel as necessary for reporting required by
4 state and federal law. For the purposes of this subsection, the
5 center shall only require districts and intermediate districts to
6 report information that is not already available from the office of
7 retirement services in the department of technology, management,
8 and budget.

9 (4) If a district or intermediate district fails to meet the
10 requirements of this section, the department shall withhold 5% of
11 the total funds for which the district or intermediate district
12 qualifies under this article until the district or intermediate
13 district complies with all of those subsections. If the district or
14 intermediate district does not comply with all of those subsections
15 by the end of the fiscal year, the department shall place the
16 amount withheld in an escrow account until the district or
17 intermediate district complies with all of those subsections.

18 (5) Before publishing a list of school or district
19 accountability designations as required by the no child left behind
20 act of 2001, Public Law 107-110, or the every student succeeds act,
21 Public Law 114-95, and utilizing data that were certified as
22 accurate and complete after districts and intermediate districts
23 adhered to deadlines, data quality reviews, and correction
24 processes leading to local certification of final student data in
25 subsection (2), the department shall allow a school or district to
26 appeal any calculation errors used in the preparation of
27 accountability metrics. The department shall consider and act upon
28 the appeal within 30 days after it is submitted and shall not
29 publish the list until after all appeals have been considered and

1 decided.

2 (6) ~~Beginning in 2016-2017, the~~ **The** department shall implement
 3 statewide standard reporting requirements for education data
 4 approved by the department in conjunction with the center. The
 5 department shall work with the center, intermediate districts,
 6 districts, and other interested stakeholders to implement this
 7 policy change. A district or intermediate district shall implement
 8 the statewide standard reporting requirements not later than 2017-
 9 2018 or when a district or intermediate district updates its
 10 education data reporting system, whichever is later.

11 Sec. 20. (1) For ~~2020-2021,~~ **2021-2022**, both of the following
 12 apply:

13 (a) The target foundation allowance is ~~\$8,529.00.~~ **\$8,654.00.**

14 (b) The minimum foundation allowance is ~~\$8,111.00.~~ **\$8,361.00.**

15 (2) The department shall calculate the amount of each
 16 district's foundation allowance as provided in this section, using
 17 a target foundation allowance in the amount specified in subsection
 18 (1).

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

24 (a) Except as otherwise provided in this subdivision, for a
 25 district that had a foundation allowance for the immediately
 26 preceding fiscal year that was at least equal to the minimum
 27 foundation allowance for the immediately preceding fiscal year, but
 28 less than the target foundation allowance for the immediately
 29 preceding fiscal year, the district receives a foundation allowance

1 in an amount equal to the sum of the district's foundation
 2 allowance for the immediately preceding fiscal year plus the
 3 difference between twice the dollar amount of the adjustment from
 4 the immediately preceding fiscal year to the current fiscal year
 5 made in the target foundation allowance and [(the difference
 6 between the target foundation allowance for the current fiscal year
 7 and target foundation allowance for the immediately preceding
 8 fiscal year minus ~~\$40.00~~ **\$41.67**) times (the difference between the
 9 district's foundation allowance for the immediately preceding
 10 fiscal year and the minimum foundation allowance for the
 11 immediately preceding fiscal year) divided by the difference
 12 between the target foundation allowance for the current fiscal year
 13 and the minimum foundation allowance for the immediately preceding
 14 fiscal year.] However, the foundation allowance for a district that
 15 had less than the target foundation allowance for the immediately
 16 preceding fiscal year must not exceed the target foundation
 17 allowance for the current fiscal year.

18 (b) Except as otherwise provided in this subsection, for a
 19 district that in the immediately preceding fiscal year had a
 20 foundation allowance in an amount equal to the amount of the target
 21 foundation allowance for the immediately preceding fiscal year, the
 22 district receives a foundation allowance for ~~2020-2021~~ **2021-2022** in
 23 an amount equal to the target foundation allowance for ~~2020-~~
 24 ~~2021.~~ **2021-2022.**

25 (c) For a district that had a foundation allowance for the
 26 immediately preceding fiscal year that was greater than the target
 27 foundation allowance for the immediately preceding fiscal year, the
 28 district's foundation allowance is an amount equal to the sum of
 29 the district's foundation allowance for the immediately preceding

1 fiscal year plus the lesser of the increase in the target
2 foundation allowance for the current fiscal year, as compared to
3 the immediately preceding fiscal year, or the product of the
4 district's foundation allowance for the immediately preceding
5 fiscal year times the percentage increase in the United States
6 Consumer Price Index in the calendar year ending in the immediately
7 preceding fiscal year as reported by the May revenue estimating
8 conference conducted under section 367b of the management and
9 budget act, 1984 PA 431, MCL 18.1367b.

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

13 (4) Except as otherwise provided in this subsection, beginning
14 in 2014-2015, the state portion of a district's foundation
15 allowance is an amount equal to the district's foundation allowance
16 or the target foundation allowance for the current fiscal year,
17 whichever is less, minus the local portion of the district's
18 foundation allowance. For a district described in subsection
19 (3)(c), beginning in 2014-2015, the state portion of the district's
20 foundation allowance is an amount equal to \$6,962.00 plus the
21 difference between the district's foundation allowance for the
22 current fiscal year and the district's foundation allowance for
23 1998-99, minus the local portion of the district's foundation
24 allowance. For a district that has a millage reduction required
25 under section 31 of article IX of the state constitution of 1963,
26 the department shall calculate the state portion of the district's
27 foundation allowance as if that reduction did not occur. For a
28 receiving district, if school operating taxes continue to be levied
29 on behalf of a dissolved district that has been attached in whole

1 or in part to the receiving district to satisfy debt obligations of
2 the dissolved district under section 12 of the revised school code,
3 MCL 380.12, the taxable value per membership pupil of property in
4 the receiving district used for the purposes of this subsection
5 does not include the taxable value of property within the
6 geographic area of the dissolved district. For a community
7 district, if school operating taxes continue to be levied by a
8 qualifying school district under section 12b of the revised school
9 code, MCL 380.12b, with the same geographic area as the community
10 district, the taxable value per membership pupil of property in the
11 community district to be used for the purposes of this subsection
12 does not include the taxable value of property within the
13 geographic area of the community district.

14 (5) The allocation calculated under this section for a pupil
15 is based on the foundation allowance of the pupil's district of
16 residence. For a pupil enrolled ~~pursuant to~~**under** section 105 or
17 105c in a district other than the pupil's district of residence,
18 the allocation calculated under this section is based on the lesser
19 of the foundation allowance of the pupil's district of residence or
20 the foundation allowance of the educating district. For a pupil in
21 membership in a K-5, K-6, or K-8 district who is enrolled in
22 another district in a grade not offered by the pupil's district of
23 residence, the allocation calculated under this section is based on
24 the foundation allowance of the educating district if the educating
25 district's foundation allowance is greater than the foundation
26 allowance of the pupil's district of residence. **The calculation**
27 **under this subsection must take into account a district's per-pupil**
28 **allocation under section 20m.**

29 (6) Except as otherwise provided in this subsection, for

1 pupils in membership, other than special education pupils, in a
2 public school academy, the allocation calculated under this section
3 is an amount per membership pupil other than special education
4 pupils in the public school academy equal to the minimum foundation
5 allowance specified in subsection (1). **However, beginning in 2021-**
6 **2022, for a public school academy that by agreement provides public**
7 **educational services for the residents of a district that does not**
8 **directly provide public educational services to the residents on**
9 **its own, the allocation calculated under this section is an amount**
10 **per membership pupil other than special education pupils in the**
11 **public school academy equal to what the allocation per membership**
12 **pupil would have been for the public school academy had it remained**
13 **a district and directly provided public educational services to the**
14 **residents on its own.** Notwithstanding section 101, for a public
15 school academy that begins operations after the pupil membership
16 count day, the amount per membership pupil calculated under this
17 subsection must be adjusted by multiplying that amount per
18 membership pupil by the number of hours of pupil instruction
19 provided by the public school academy after it begins operations,
20 as determined by the department, divided by the minimum number of
21 hours of pupil instruction required under section 101(3). The
22 result of this calculation must not exceed the amount per
23 membership pupil otherwise calculated under this subsection.

24 (7) Except as otherwise provided in this subsection, for
25 pupils in membership, other than special education pupils, in a
26 community district, the allocation calculated under this section is
27 an amount per membership pupil other than special education pupils
28 in the community district equal to the foundation allowance of the
29 qualifying school district, as described in section 12b of the

1 revised school code, MCL 380.12b, that is located within the same
2 geographic area as the community district.

3 (8) Subject to subsection (4), for a district that is formed
4 or reconfigured after June 1, 2002 by consolidation of 2 or more
5 districts or by annexation, the resulting district's foundation
6 allowance under this section beginning after the effective date of
7 the consolidation or annexation is the lesser of the sum of the
8 average of the foundation allowances of each of the original or
9 affected districts, calculated as provided in this section,
10 weighted as to the percentage of pupils in total membership in the
11 resulting district who reside in the geographic area of each of the
12 original or affected districts plus \$100.00 or the highest
13 foundation allowance among the original or affected districts. This
14 subsection does not apply to a receiving district unless there is a
15 subsequent consolidation or annexation that affects the district.

16 **The calculation under this subsection must take into account a**
17 **district's per-pupil allocation under section 20m.**

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

22 (10) State payments related to payment of the foundation
23 allowance for a special education pupil are not calculated under
24 this section but are instead calculated under section 51a.

25 (11) To assist the legislature in determining the target
26 foundation allowance for the subsequent fiscal year, each revenue
27 estimating conference conducted under section 367b of the
28 management and budget act, 1984 PA 431, MCL 18.1367b, must
29 calculate a pupil membership factor, a revenue adjustment factor,

1 and an index as follows:

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

12 (b) The revenue adjustment factor is computed by dividing the
13 sum of the estimated total state school aid fund revenue for the
14 subsequent fiscal year plus the estimated total state school aid
15 fund revenue for the current fiscal year, adjusted for any change
16 in the rate or base of a tax the proceeds of which are deposited in
17 that fund and excluding money transferred into that fund from the
18 countercyclical budget and economic stabilization fund under the
19 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by
20 the sum of the estimated total school aid fund revenue for the
21 current fiscal year plus the estimated total state school aid fund
22 revenue for the immediately preceding fiscal year, adjusted for any
23 change in the rate or base of a tax the proceeds of which are
24 deposited in that fund. If a consensus revenue factor is not
25 determined at the revenue estimating conference, the principals of
26 the revenue estimating conference shall report their estimates to
27 the house and senate subcommittees responsible for ~~state~~-school aid
28 appropriations not later than 7 days after the conclusion of the
29 revenue conference.

1 (c) The index is calculated by multiplying the pupil
2 membership factor by the revenue adjustment factor. If a consensus
3 index is not determined at the revenue estimating conference, the
4 principals of the revenue estimating conference shall report their
5 estimates to the house and senate subcommittees responsible for
6 state school aid appropriations not later than 7 days after the
7 conclusion of the revenue conference.

8 (12) Payments to districts and public school academies are not
9 made under this section. Rather, the calculations under this
10 section are used to determine the amount of state payments under
11 section 22b.

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

17 (14) As used in this section:

18 (a) "Certified mills" means the lesser of 18 mills or the
19 number of mills of school operating taxes levied by the district in
20 1993-94.

21 (b) "Combined state and local revenue" means the aggregate of
22 the district's state school aid received by or paid on behalf of
23 the district under this section and the district's local school
24 operating revenue.

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

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

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

5 (f) "Immediately preceding fiscal year" means the fiscal year
6 immediately preceding the current fiscal year.

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

18 (h) "Local school operating revenue" means school operating
19 taxes levied under section 1211 of the revised school code, MCL
20 380.1211. For a receiving district, if school operating taxes are
21 to be levied on behalf of a dissolved district that has been
22 attached in whole or in part to the receiving district to satisfy
23 debt obligations of the dissolved district under section 12 of the
24 revised school code, MCL 380.12, local school operating revenue
25 does not include school operating taxes levied within the
26 geographic area of the dissolved district.

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

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

4 (k) "Nonexempt property" means property that is not a
5 principal residence, qualified agricultural property, qualified
6 forest property, supportive housing property, industrial personal
7 property, commercial personal property, or property occupied by a
8 public school academy.

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

14 (m) "Receiving district" means a district to which all or part
15 of the territory of a dissolved district is attached under section
16 12 of the revised school code, MCL 380.12.

17 (n) "School operating purposes" means the purposes included in
18 the operation costs of the district as prescribed in sections 7 and
19 18 and purposes authorized under section 1211 of the revised school
20 code, MCL 380.1211.

21 (o) "School operating taxes" means local ad valorem property
22 taxes levied under section 1211 of the revised school code, MCL
23 380.1211, and retained for school operating purposes.

24 (p) "Tax increment financing acts" means parts 2, 3, 4, and 6
25 of the recodified tax increment financing act, 2018 PA 57, MCL
26 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield
27 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

28 (q) "Taxable value per membership pupil" means taxable value,
29 as certified by the county treasurer and reported to the

1 department, for the calendar year ending in the current state
2 fiscal year divided by the district's membership excluding special
3 education pupils for the school year ending in the current state
4 fiscal year.

5 Sec. 20d. In making the final determination required under
6 former section 20a of a district's combined state and local revenue
7 per membership pupil in 1993-94 and in making calculations under
8 section 20 for ~~2020-2021~~, **2021-2022**, the department and the
9 department of treasury shall comply with all of the following:

10 (a) For a district that had combined state and local revenue
11 per membership pupil in the 1994-95 fiscal year of \$6,500.00 or
12 more and served as a fiscal agent for a state board designated area
13 vocational education center in the 1993-94 school year, total state
14 school aid received by or paid on behalf of the district under this
15 act in 1993-94 excludes payments made under former section 146 and
16 under section 147 on behalf of the district's employees who
17 provided direct services to the area vocational education center.
18 Not later than June 30, 1996, the department shall make an
19 adjustment under this subdivision to the district's combined state
20 and local revenue per membership pupil in the 1994-95 fiscal year
21 and the department of treasury shall make a final certification of
22 the number of mills that may be levied by the district under
23 section 1211 of the revised school code, MCL 380.1211, as a result
24 of the adjustment under this subdivision.

25 (b) If a district had an adjustment made to its 1993-94 total
26 state school aid that excluded payments made under former section
27 146 and under section 147 on behalf of the district's employees who
28 provided direct services for intermediate district center programs
29 operated by the district under **former section 51 and sections 51**

51a to 56, if nonresident pupils attending the center programs were included in the district's membership for purposes of calculating the combined state and local revenue per membership pupil for 1993-94, and if there is a signed agreement by all constituent districts of the intermediate district agreeing to an adjustment under this subdivision, the department shall calculate the foundation allowances for 1995-96 and 1996-97 of all districts that had pupils attending the intermediate district center program operated by the district that had the adjustment as if their combined state and local revenue per membership pupil for 1993-94 included resident pupils attending the center program and excluded nonresident pupils attending the center program.

Sec. 20f. (1) From the ~~funds~~**state school aid fund money** appropriated in section 11, there is allocated an amount not to exceed \$18,000,000.00 for ~~2020-2021~~**2021-2022** for payments to eligible districts under this section.

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

(a) The increase in the district's foundation allowance or per-pupil payment as calculated under section 20 from 2012-2013 to 2013-2014.

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

(c) The quotient of the district's allocation under section 147a for 2012-2013 divided by the district's membership pupils for 2012-2013 minus the quotient of the district's allocation under

1 section 147a for 2013-2014 divided by the district's membership
2 pupils for 2013-2014.

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

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

10 (a) The increase in the district's foundation allowance or
11 per-pupil payment as calculated under section 20 from 2014-2015 to
12 2015-2016.

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

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

17 (d) The quotient of the district's allocation under section
18 31a for 2015-2016 divided by the district's membership pupils for
19 2015-2016 minus the quotient of the district's allocation under
20 section 31a for 2014-2015 divided by the district's membership
21 pupils for 2014-2015.

22 (5) The amount allocated to each eligible district under
23 subsection (4) is an amount per membership pupil equal to \$25.00
24 minus the sum of the following:

25 (a) The increase in the district's foundation allowance or
26 per-pupil payment as calculated under section 20 from 2014-2015 to
27 2015-2016.

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

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

3 (d) The quotient of the district's allocation under section
4 31a for 2015-2016 divided by the district's membership pupils for
5 2015-2016 minus the quotient of the district's allocation under
6 section 31a for 2014-2015 divided by the district's membership
7 pupils for 2014-2015.

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

12 **Sec. 20m. (1) Foundation allowance supplemental payments for**
13 **the current fiscal year to districts that in the immediately**
14 **preceding fiscal year had a foundation allowance greater than the**
15 **target foundation allowance must be calculated under this section.**

16 (2) The per-pupil allocation to each district under this
17 section is the difference between the dollar amount of the
18 adjustment from the immediately preceding fiscal year to the
19 current fiscal year in the target foundation allowance minus the
20 dollar amount of the adjustment from the immediately preceding
21 fiscal year to the current fiscal year in a qualifying district's
22 foundation allowance.

23 (3) If a district's local revenue per pupil does not exceed
24 the sum of its foundation allowance under section 20 plus the per-
25 pupil allocation under subsection (2), the total payment to the
26 district calculated under this section is the product of the per-
27 pupil allocation under subsection (2) multiplied by the district's
28 membership, excluding special education pupils. If a district's
29 local revenue per pupil exceeds the foundation allowance under

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

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

15 (5) As used in this section, "qualifying district" means a
16 district where the millage limitation in section 1211(3) of the
17 revised school code, MCL 380.1211, is applied due to the increase
18 in the target foundation allowance from the immediately preceding
19 fiscal year to the current fiscal year exceeding the percentage
20 increase in the general price level in the immediately preceding
21 calendar year applied to the district's immediately preceding
22 fiscal year foundation allowance.

23 Sec. 21f. (1) Except as otherwise provided under subsection
24 (15), a primary district shall enroll an eligible pupil in virtual
25 courses in accordance with the provisions of this section. Except
26 as otherwise provided under subsection (15), a primary district
27 shall not offer a virtual course to an eligible pupil unless the
28 virtual course is published in the primary district's catalog of
29 board-approved courses or in the statewide catalog of virtual

1 courses maintained by the Michigan Virtual University pursuant to
2 section 98. The primary district shall also provide on its publicly
3 accessible website a link to the statewide catalog of virtual
4 courses maintained by the Michigan Virtual University. Except as
5 otherwise provided under subsection (15), unless the pupil is at
6 least age 18 or is an emancipated minor, a pupil must not be
7 enrolled in a virtual course without the consent of the pupil's
8 parent or legal guardian.

9 (2) Subject to subsection (3), and except as otherwise
10 provided under subsection (15), a primary district shall enroll an
11 eligible pupil in up to 2 virtual courses as requested by the pupil
12 during an academic term, semester, or trimester.

13 (3) Except as otherwise provided under subsection (15), a
14 pupil may be enrolled in more than 2 virtual courses in a specific
15 academic term, semester, or trimester if all of the following
16 conditions are met:

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

19 (b) The pupil agrees with the recommendation of the primary
20 district.

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

26 (4) Except as otherwise provided under subsection (15), if the
27 number of applicants eligible for acceptance in a virtual course
28 does not exceed the capacity of the provider to provide the virtual
29 course, the provider shall accept for enrollment all of the

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

10 (5) Except as otherwise provided under subsection (15), a
11 primary district may not establish additional requirements beyond
12 those specified in this subsection that would prohibit a pupil from
13 taking a virtual course. Except as otherwise provided under
14 subsection (15), a pupil's primary district may deny the pupil
15 enrollment in a virtual course if any of the following apply, as
16 determined by the district:

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

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

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

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

24 (e) The pupil has not completed the prerequisite coursework
25 for the requested virtual course or has not demonstrated
26 proficiency in the prerequisite course content.

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

29 (g) The virtual course is of insufficient quality or rigor. A

1 primary district that denies a pupil enrollment request for this
2 reason shall enroll the pupil in a virtual course in the same or a
3 similar subject that the primary district determines is of
4 acceptable rigor and quality.

5 (h) The cost of the virtual course exceeds the amount
6 identified in subsection (10), unless the pupil or the pupil's
7 parent or legal guardian agrees to pay the cost that exceeds this
8 amount.

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

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

16 (6) Except as otherwise provided under subsection (15), if a
17 pupil is denied enrollment in a virtual course by the pupil's
18 primary district, the primary district shall provide written
19 notification to the pupil of the denial, the reason or reasons for
20 the denial under subsection (5), and a description of the appeal
21 process. The pupil may appeal the denial by submitting a letter to
22 the superintendent of the intermediate district in which the
23 pupil's primary district is located. The letter of appeal must
24 include the reason provided by the primary district for not
25 enrolling the pupil and the reason why the pupil is claiming that
26 the enrollment should be approved. The intermediate district
27 superintendent or designee shall respond to the appeal within 5
28 days after it is received. If the intermediate district
29 superintendent or designee determines that the denial of enrollment

1 does not meet 1 or more of the reasons specified in subsection (5),
2 the primary district shall enroll the pupil in the virtual course.

3 (7) Except as otherwise provided under subsection (15), to
4 provide a virtual course to an eligible pupil under this section, a
5 provider must do all of the following:

6 (a) Ensure that the virtual course has been published in the
7 pupil's primary district's catalog of board-approved courses or
8 published in the statewide catalog of virtual courses maintained by
9 the Michigan Virtual University.

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

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

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

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

26 (ii) Not later than October 1 of each fiscal year, provide the
27 Michigan Virtual University with an aggregated count of enrollments
28 for each virtual course the provider delivered to pupils under this
29 section during the immediately preceding school year, and the

1 number of enrollments in which the pupil earned 60% or more of the
2 total course points for each virtual course.

3 (8) Except as otherwise provided under subsection (15), to
4 provide a virtual course under this section, a community college
5 shall ensure that each virtual course it provides under this
6 section generates postsecondary credit.

7 (9) Except as otherwise provided under subsection (15), for
8 any virtual course a pupil enrolls in under this section, the
9 pupil's primary district must assign to the pupil a mentor and
10 shall supply the provider with the mentor's contact information.

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

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

27 (12) If a pupil successfully completes a virtual course, as
28 determined by the pupil's primary district, the pupil's primary
29 district shall grant appropriate academic credit for completion of

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

5 (13) The enrollment of a pupil in 1 or more virtual courses
6 must not result in a pupil being counted as more than 1.0 full-time
7 equivalent pupils under this article. Except as otherwise provided
8 under subsection (15), the minimum requirements to count the pupil
9 in membership are those established by the pupil accounting manual
10 as it was in effect for the 2015-2016 school year or as
11 subsequently amended by the department if the department notifies
12 the legislature about the proposed amendment at least 60 days
13 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 that the primary district pays to provide the
28 virtual course or the Michigan Virtual University if it is
29 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.

- 1 (ii) The virtual course content outline.
- 2 (iii) The virtual course required assessments.
- 3 (iv) The virtual course prerequisites.
- 4 (v) Expectations for actual instructor or teacher of record
- 5 contact time with the virtual learning pupil and other
- 6 communications between a pupil and the instructor or teacher of
- 7 record.
- 8 (vi) Academic support available to the virtual learning pupil.
- 9 (vii) The virtual course learning outcomes and objectives.
- 10 (viii) The name of the institution or organization providing the
- 11 virtual content.
- 12 (ix) The name of the institution or organization providing the
- 13 instructor or teacher of record.
- 14 (x) The course titles assigned by the provider and the course
- 15 titles and course codes from the National Center for Education
- 16 Statistics (NCES) school codes for the exchange of data (SCED).
- 17 (xi) The number of eligible pupils that will be accepted by the
- 18 provider in the virtual course. A primary district that is also the
- 19 provider may limit the enrollment to those pupils enrolled in the
- 20 primary district.
- 21 (xii) The results of the virtual course quality review using
- 22 the guidelines and model review process published by the Michigan
- 23 Virtual University.
- 24 (h) "Virtual learning pupil" means a pupil enrolled in 1 or
- 25 more virtual courses.
- 26 (15) ~~The~~ **For the first half of the 2021-2022 school year, the**
- 27 requirements under this section concerning virtual courses do not
- 28 apply to virtual courses ~~offered as part of pandemic learning. As~~
- 29 ~~used in this subsection, "pandemic learning" means a mode of pupil~~

~~instruction provided as a result of the COVID-19 pandemic.~~ **taken by a pupil described in section 98b(1) (a) (i) . As used in this subsection, "first half of the 2021-2022 school year" means that term as defined in section 98b.**

Sec. 21h. (1) From the ~~appropriation~~ **state school aid fund money appropriated** in section 11, there is allocated \$6,137,400.00 for ~~2020-2021~~ **2021-2022** for assisting districts assigned by the superintendent to participate in a partnership and districts that have established a community engagement advisory committee in partnership with the department of treasury, are required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and are located in a city with a population between 9,000 and 11,000, **as determined by the department**, that is in a county with a population between ~~155,000~~ **150,000** and 160,000, **as determined by the department**, to improve student achievement and district financial stability. The superintendent shall collaborate with the state treasurer to identify any conditions that may be contributing to low academic performance within a district being considered for assignment to a partnership. The purpose of the partnership is to identify district needs, develop intervention plans, and partner with public, private, and nonprofit organizations to coordinate resources and improve student achievement. Assignment of a district to a partnership is made by the superintendent in consultation with the state treasurer.

(2) A district described in subsection (1) is eligible for funding under this section if the district includes at least 1 school that has been identified as low performing under the approved federal accountability system or the state accountability

1 system. A district described in this subsection must do all of the
2 following to be eligible for funding under this section:

3 (a) For a partnership district under this section, within 90
4 days of assignment to the partnership described in this section,
5 and for a district described in subsection (1) that is not a
6 partnership district under this section, by October 15 of each
7 year, complete a comprehensive needs assessment or evaluation in
8 collaboration with an intermediate district, community members,
9 education organizations, and postsecondary institutions, as
10 applicable, that is approved by the superintendent. The
11 comprehensive needs assessment or evaluation must include at least
12 all of the following:

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

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

18 (iii) A review of classroom, instructional, and operational
19 practices and curriculum to ensure alignment with research-based
20 instructional practices and state curriculum standards.

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

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

28 (ii) Specific measurable benchmarks that will be met within 18
29 months to improve student achievement and identification of

1 expected student achievement outcomes to be attained within 3 years
2 after assignment to the partnership.

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

5 (3) Upon approval of the academic and financial operating or
6 intervention plan developed under subsection (2), the department,
7 in collaboration with the department of treasury, shall assign a
8 team of individuals with expertise in comprehensive school and
9 district reform to partner with the district, the intermediate
10 district, community organizations, education organizations, and
11 postsecondary institutions identified in the academic and financial
12 operating or intervention plan to review the district's use of
13 existing financial resources to ensure that those resources are
14 being used as efficiently and effectively as possible to improve
15 student academic achievement and to ensure district financial
16 stability. The superintendent of public instruction may waive
17 burdensome administrative rules for a partnership district for the
18 duration of the partnership agreement and for a district described
19 in subsection (1) that is not a partnership district under this
20 section and that receives funding under this section in the current
21 fiscal year.

22 (4) Funds allocated under this section, excluding funds
23 allocated under subsection (5), may be used to pay for district
24 expenditures approved by the superintendent to improve student
25 achievement. Funds may be used for professional development for
26 teachers or district or school leadership, increased instructional
27 time, teacher mentors, or other expenditures that directly impact
28 student achievement and cannot be paid from existing district
29 financial resources. An eligible district must not receive funds

under this section for more than 3 years. Notwithstanding section 17b, the department shall make payments to districts under this section on a schedule determined by the department.

(5) From the funds allocated under subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed \$137,400.00 for the purchase of a data analytics tool to be used by districts described in subsection (1). The superintendent of public instruction shall require districts described in subsection (1) to purchase a data analytics tool funded under this subsection as part of the agreements described in this section.

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

Sec. 22a. (1) From the ~~appropriation~~**state school aid fund** ~~money appropriated~~ in section 11, there is allocated an amount not to exceed ~~\$4,916,000,000.00~~**\$4,823,000,000.00** for ~~2019-2020~~**2020-2021** and there is allocated an amount not to exceed ~~\$4,880,500,000.00~~**\$4,729,000,000.00** for ~~2020-2021~~**2021-2022** for payments to districts and qualifying public school academies to guarantee each district and qualifying public school academy an amount equal to its 1994-95 total state and local per pupil revenue for school operating purposes under section 11 of article IX of the state constitution of 1963. Pursuant to section 11 of article IX of the state constitution of 1963, this guarantee does not apply to a district in a year in which the district levies a millage rate for

1 school district operating purposes less than it levied in 1994.
2 However, subsection (2) applies to calculating the payments under
3 this section. Funds allocated under this section that are not
4 expended in the fiscal year for which they were allocated, as
5 determined by the department, may be used to supplement the
6 allocations under sections 22b and 51c to fully fund those
7 allocations for the same fiscal year. For each fund transfer as
8 described in the immediately preceding sentence that occurs, the
9 state budget director shall send notification of the transfer to
10 the house and senate appropriations subcommittees on state school
11 aid and the house and senate fiscal agencies by not later than 14
12 calendar days after the transfer occurs.

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

18 (a) Except as otherwise provided in this subsection, the state
19 portion of a district's 1994-95 foundation allowance is an amount
20 equal to the district's 1994-95 foundation allowance or \$6,500.00,
21 whichever is less, minus the difference between the sum of the
22 product of the taxable value per membership pupil of all property
23 in the district that is nonexempt property times the district's
24 certified mills and, for a district with certified mills exceeding
25 12, the product of the taxable value per membership pupil of
26 property in the district that is commercial personal property times
27 the certified mills minus 12 mills and the quotient of the ad
28 valorem property tax revenue of the district captured under tax
29 increment financing acts divided by the district's membership. For

1 a district that has a millage reduction required under section 31
2 of article IX of the state constitution of 1963, the department
3 shall calculate the state portion of the district's foundation
4 allowance as if that reduction did not occur. For a receiving
5 district, if school operating taxes are to be levied on behalf of a
6 dissolved district that has been attached in whole or in part to
7 the receiving district to satisfy debt obligations of the dissolved
8 district under section 12 of the revised school code, MCL 380.12,
9 taxable value per membership pupil of all property in the receiving
10 district that is nonexempt property and taxable value per
11 membership pupil of property in the receiving district that is
12 commercial personal property do not include property within the
13 geographic area of the dissolved district; ad valorem property tax
14 revenue of the receiving district captured under tax increment
15 financing acts does not include ad valorem property tax revenue
16 captured within the geographic boundaries of the dissolved district
17 under tax increment financing acts; and certified mills do not
18 include the certified mills of the dissolved district. For a
19 community district, the department shall reduce the allocation as
20 otherwise calculated under this section by an amount equal to the
21 amount of local school operating tax revenue that would otherwise
22 be due to the community district if not for the operation of
23 section 386 of the revised school code, MCL 380.386, and the amount
24 of this reduction is offset by the increase in funding under
25 section 22b(2).

26 (b) For a district that had a 1994-95 foundation allowance
27 greater than \$6,500.00, the state payment under this subsection is
28 the sum of the amount calculated under subdivision (a) plus the
29 amount calculated under this subdivision. The amount calculated

1 under this subdivision must be equal to the difference between the
2 district's 1994-95 foundation allowance minus \$6,500.00 and the
3 current year hold harmless school operating taxes per pupil. If the
4 result of the calculation under subdivision (a) is negative, the
5 negative amount is an offset against any state payment calculated
6 under this subdivision. If the result of a calculation under this
7 subdivision is negative, there is not a state payment or a
8 deduction under this subdivision. The taxable values per membership
9 pupil used in the calculations under this subdivision are as
10 adjusted by ad valorem property tax revenue captured under tax
11 increment financing acts divided by the district's membership. For
12 a receiving district, if school operating taxes are to be levied on
13 behalf of a dissolved district that has been attached in whole or
14 in part to the receiving district to satisfy debt obligations of
15 the dissolved district under section 12 of the revised school code,
16 MCL 380.12, ad valorem property tax revenue captured under tax
17 increment financing acts do not include ad valorem property tax
18 revenue captured within the geographic boundaries of the dissolved
19 district under tax increment financing acts.

20 (3) ~~Beginning in 2003-2004, for~~ **For** pupils in membership in a
21 qualifying public school academy, there is allocated under this
22 section to the authorizing body that is the fiscal agent for the
23 qualifying public school academy for forwarding to the qualifying
24 public school academy an amount equal to the 1994-95 per pupil
25 payment to the qualifying public school academy under section 20.

26 (4) A district or qualifying public school academy may use
27 funds allocated under this section in conjunction with any federal
28 funds for which the district or qualifying public school academy
29 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 membership in the resulting district in the fiscal year in which the consolidation takes place who reside in the geographic area of each of the original districts. If an affected district's 1994-95 foundation allowance is less than the 1994-95 basic foundation allowance, the amount of that district's 1994-95 foundation allowance is considered for the purpose of calculations under this subsection to be equal to the amount of the 1994-95 basic foundation allowance. This subsection does not apply to a receiving district unless there is a subsequent consolidation or annexation that affects the district.

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

(7) As used in this section:

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

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

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

1 (d) "Current year hold harmless school operating taxes per
2 pupil" means the per pupil revenue generated by multiplying a
3 district's 1994-95 hold harmless millage by the district's current
4 year taxable value per membership pupil. For a receiving district,
5 if school operating taxes are to be levied on behalf of a dissolved
6 district that has been attached in whole or in part to the
7 receiving district to satisfy debt obligations of the dissolved
8 district under section 12 of the revised school code, MCL 380.12,
9 taxable value per membership pupil does not include the taxable
10 value of property within the geographic area of the dissolved
11 district.

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

16 (f) "Hold harmless millage" means, for a district with a 1994-
17 95 foundation allowance greater than \$6,500.00, the number of mills
18 by which the exemption from the levy of school operating taxes on a
19 principal residence, qualified agricultural property, qualified
20 forest property, supportive housing property, industrial personal
21 property, commercial personal property, and property occupied by a
22 public school academy could be reduced as provided in section 1211
23 of the revised school code, MCL 380.1211, and the number of mills
24 of school operating taxes that could be levied on all property as
25 provided in section 1211(2) of the revised school code, MCL
26 380.1211, as certified by the department of treasury for the 1994
27 tax year. For a receiving district, if school operating taxes are
28 to be levied on behalf of a dissolved district that has been
29 attached in whole or in part to the receiving district to satisfy

1 debt obligations of the dissolved district under section 12 of the
2 revised school code, MCL 380.12, school operating taxes do not
3 include school operating taxes levied within the geographic area of
4 the dissolved district.

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

8 (h) "Nonexempt property" means property that is not a
9 principal residence, qualified agricultural property, qualified
10 forest property, supportive housing property, industrial personal
11 property, commercial personal property, or property occupied by a
12 public school academy.

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

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

21 (k) "Receiving district" means a district to which all or part
22 of the territory of a dissolved district is attached under section
23 12 of the revised school code, MCL 380.12.

24 (l) "School operating taxes" means local ad valorem property
25 taxes levied under section 1211 of the revised school code, MCL
26 380.1211, and retained for school operating purposes as defined in
27 section 20.

28 (m) "Tax increment financing acts" means parts 2, 3, 4, and 6
29 of the recodified tax increment financing act, 2018 PA 57, MCL

1 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield
2 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

5 (i) For the number of mills by which the exemption from the
6 levy of school operating taxes on a principal residence, qualified
7 agricultural property, qualified forest property, supportive
8 housing property, industrial personal property, commercial personal
9 property, and property occupied by a public school academy may be
10 reduced as provided in section 1211 of the revised school code, MCL
11 380.1211, the taxable value of principal residence, qualified
12 agricultural property, qualified forest property, supportive
13 housing property, industrial personal property, commercial personal
14 property, and property occupied by a public school academy for the
15 calendar year ending in the current fiscal year. For a receiving
16 district, if school operating taxes are to be levied on behalf of a
17 dissolved district that has been attached in whole or in part to
18 the receiving district to satisfy debt obligations of the dissolved
19 district under section 12 of the revised school code, MCL 380.12,
20 mills do not include mills within the geographic area of the
21 dissolved district.

22 (ii) For the number of mills of school operating taxes that may
23 be levied on all property as provided in section 1211(2) of the
24 revised school code, MCL 380.1211, the taxable value of all
25 property for the calendar year ending in the current fiscal year.
26 For a receiving district, if school operating taxes are to be
27 levied on behalf of a dissolved district that has been attached in
28 whole or in part to the receiving district to satisfy debt
29 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 ~~2019-2020~~ **2020-2021** an amount not to exceed ~~\$4,499,100,000.00~~ **\$4,475,200,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed ~~\$75,900,000.00~~ **\$79,800,000.00** from the community district education trust fund appropriation in section 11, and there is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$4,488,800,000.00~~ **\$4,762,165,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed ~~\$77,700,000.00~~ **\$72,000,000.00** from the community district education trust fund appropriation in section 11. **Of the funds allocated under this section for 2021-2022, \$11,500,000.00 represents the amount of the general fund revenue deposited into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of \$72,000,000.00.**

Except for money allocated under this section from the community district education trust fund appropriation in section 11, funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 51c to fully fund those allocations for the same fiscal year. For each fund transfer as described in the immediately preceding sentence that occurs, the state budget director shall send notification of the transfer to the house and senate appropriations subcommittees on state school aid and the house and

senate fiscal agencies by not later than 14 calendar days after the transfer occurs.

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

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

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

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

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

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

(e) Comply with section 21f.

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

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

2 (g) For a district that offers kindergarten, comply with
3 section 104(4).

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

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

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

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

1 amount as may be necessary to satisfy the claim before making any
2 payments to districts under subsection (2). If funds are escrowed,
3 the escrowed funds are a work project appropriation and the funds
4 are carried forward into the following fiscal year. The purpose of
5 the work project is to provide for any payments that may be awarded
6 to districts as a result of litigation. The work project is
7 completed upon resolution of the litigation.

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

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

25 (10) If payments resulting from a final determination by the
26 local claims review board or a court of competent jurisdiction that
27 there has been a violation of section 29 of article IX of the state
28 constitution of 1963 exceed the amount allocated for discretionary
29 nonmandated payments under this section, the legislature shall

1 provide for adequate funding for this state's constitutional
 2 obligations at its next legislative session.

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

21 Sec. 22d. (1) From the state school aid fund money
 22 appropriated under section 11, an amount not to exceed
 23 ~~\$7,000,000.00~~ **\$7,300,100.00** is allocated for ~~2020-2021-2021-2022~~
 24 for supplemental payments to rural districts under this section.

25 (2) From the allocation under subsection (1), there is
 26 allocated for ~~2020-2021-2021-2022~~ an amount not to exceed
 27 ~~\$957,300.00~~ **\$1,257,300.00** for payments under this subsection to
 28 districts that meet all of the following:

29 (a) Operates grades K to 12.

1 (b) Has fewer than 250 pupils in membership.

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

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

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

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

24 (4) Subject to subsection ~~(6)~~, ~~(7)~~, from the allocation in
25 subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an
26 amount not to exceed \$6,042,700.00 for payments under this
27 subsection to districts that have fewer than 10.0 pupils per square
28 mile as determined by the department.

29 (5) The funds allocated under subsection (4) are allocated as

1 follows:

2 (a) An amount equal to \$5,200,000.00 is allocated to districts
3 with fewer than 8.0 pupils per square mile, as determined by the
4 department, on an equal per-pupil basis.

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

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

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

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

19 **(6) From the allocation in subsection (1), there is allocated**
20 **an amount not to exceed \$100.00 for payments under this subsection**
21 **to districts that have greater than 250 square miles and that do**
22 **not receive funding under subsection (2) or (4). The funds**
23 **allocated under this subsection must be allocated on an equal per-**
24 **pupil basis.**

25 **(7) ~~(6)~~**A district receiving funds allocated under subsection
26 **(2) is not eligible for funding allocated under subsection (4).**

27 ~~Sec. 22m. (1) From the appropriations~~**state school aid fund**
28 **money appropriated** in section 11, there is allocated for ~~2020-2021~~
29 **2021-2022** an amount not to exceed \$2,200,000.00 for supporting the

1 integration of local data systems into the Michigan data hub
2 network based on common standards and applications that are in
3 compliance with section 19(6).

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

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

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

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

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

29 (7) Participation in a data hub region in the Michigan data

1 hub network under this section is voluntary and is not required.

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

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

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

12 (c) Promoting the use of a more common set of applications by
13 promoting systems that integrate with the Michigan data hub
14 network.

15 (d) Promoting 100% district adoption of the Michigan data hub
16 network by September 30, ~~2021~~**2022**.

17 (e) Ensuring local control of data, data security, and student
18 data privacy.

19 (f) Utilizing the infrastructure to promote the actionable use
20 of data through common reports and dashboards that are consistent
21 statewide.

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

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

29 (9) Not later than January 1 of each fiscal year, the center

1 shall prepare a summary report of information provided by each
 2 entity that received funds under this section that includes
 3 measurable outcomes based on the objectives described under this
 4 section and a summary of compiled data from each entity to provide
 5 a means to evaluate the effectiveness of the project. The center
 6 shall submit the report to the house and senate appropriations
 7 subcommittees on ~~state~~-school aid and to the house and senate
 8 fiscal agencies.

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

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

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

24 ~~(ii) (ii) Either of the following, as applicable:~~

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

27 ~~(B) For 2020-2021 only, at least 1 proficiency or growth~~
 28 ~~outcome based on a benchmark assessment described in section 104.~~

29 (b) Accountability measures to be imposed if the district or

1 public school academy does not achieve the measurable academic
2 outcomes described in subdivision (a) for each school operated by
3 the district or public school academy that is subject to the
4 partnership agreement. For a district assigned as a partnership
5 district as described in this subsection, accountability measures
6 under this subdivision must include the reconstitution of the
7 school. For a public school academy assigned as a partnership
8 district as described in this subsection, accountability measures
9 under this subdivision may include the reconstitution of the
10 school.

11 (c) For a public school academy assigned as a partnership
12 district as described in this subsection, a requirement that, if
13 reconstitution is imposed on a school that is operated by the
14 public school academy and that is subject to the partnership
15 agreement, the school must be reconstituted as described in section
16 507, 528, or 561, as applicable, of the revised school code, MCL
17 380.507, 380.528, and 380.561.

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

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

29 (ii) The district shall review whether the current principal of

1 the school should remain as principal or be replaced.

2 (iii) The reconstitution plan for the school must require the
3 adoption of goals similar to the goals included in the partnership
4 agreement, with a limit of 3 years to achieve the goals. If the
5 goals are not achieved within 3 years, the superintendent of public
6 instruction shall impose a second reconstitution plan.

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

18 Sec. 24. (1) From the ~~appropriation~~ **state school aid fund**
19 **money appropriated** in section 11, there is allocated for 2020-2021
20 an amount not to exceed ~~\$7,150,000.00~~ **\$7,650,000.00 and there is**
21 **allocated for 2021-2022 an amount not to exceed \$7,650,000.00** for
22 payments to the educating district or intermediate district for
23 educating pupils assigned by a court or the department of health
24 and human services to reside in or to attend a juvenile detention
25 facility or child caring institution licensed by the department of
26 health and human services and approved by the department to provide
27 an on-grounds education program. The amount of the payment under
28 this section to a district or intermediate district is calculated
29 as prescribed under subsection (2).

1 (2) The department shall allocate the total amount allocated
2 under this section by paying to the educating district or
3 intermediate district an amount equal to the lesser of the
4 district's or intermediate district's added cost or the
5 department's approved per-pupil allocation for the district or
6 intermediate district. For the purposes of this subsection:

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

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

27 (3) A district or intermediate district educating pupils
28 described in this section at a residential child caring institution
29 may operate, and receive funding under this section for, a

1 department-approved on-grounds educational program for those pupils
2 that is longer than 181 days, but not longer than 233 days, if the
3 child caring institution was licensed as a child caring institution
4 and offered in 1991-92 an on-grounds educational program that was
5 longer than 181 days but not longer than 233 days and that was
6 operated by a district or intermediate district.

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

9 Sec. 24a. From the ~~appropriation~~ **state school aid fund money**
10 **appropriated** in section 11, there is allocated an amount not to
11 exceed \$1,355,700.00 for ~~2020-2021~~ **2021-2022** for payments to
12 intermediate districts for pupils who are placed in juvenile
13 justice service facilities operated by the department of health and
14 human services. The amount of the payment to each intermediate
15 district is an amount equal to the state share of those costs that
16 are clearly and directly attributable to the educational programs
17 for pupils placed in facilities described in this section that are
18 located within the intermediate district's boundaries. The
19 intermediate districts receiving payments under this section shall
20 cooperate with the department of health and human services to
21 ensure that all funding allocated under this section is utilized by
22 the intermediate district and department of health and human
23 services for educational programs for pupils described in this
24 section. Pupils described in this section are not eligible to be
25 funded under section 24. However, a program responsibility or other
26 fiscal responsibility associated with these pupils must not be
27 transferred from the department of health and human services to a
28 district or intermediate district unless the district or
29 intermediate district consents to the transfer.

1 Sec. 25f. (1) From the state school aid fund money
2 appropriated in section 11, there is allocated an amount not to
3 exceed \$1,600,000.00 for ~~2020-2021~~**2021-2022** for payments to strict
4 discipline academies established under sections 1311b to 1311m of
5 the revised school code, MCL 380.1311b to 380.1311m, as provided
6 under this section.

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

11 (3) The total amount allocated to a strict discipline academy
12 under this section must first be distributed as the lesser of the
13 strict discipline academy's added cost or the department's approved
14 per-pupil allocation for the strict discipline academy. Any funds
15 remaining after the first distribution must be distributed by
16 prorating on an equal per-pupil membership basis, not to exceed a
17 strict discipline academy's added cost. However, the sum of the
18 amounts received by a strict discipline academy under this section
19 and under section 24 must not exceed the product of the strict
20 discipline academy's per-pupil allocation calculated under section
21 20 multiplied by the strict discipline academy's full-time equated
22 membership. The department shall allocate funds to strict
23 discipline academies under this section on a monthly basis. For the
24 purposes of this subsection:

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

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

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

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

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

20 (6) The department shall make payments to districts under this
21 section according to the payment schedule under section 17b.

22 Sec. 25g. (1) From the state school aid fund money
23 appropriated in section 11, there is allocated an amount not to
24 exceed \$750,000.00 for ~~2020-2021~~**2021-2022** for the purposes of this
25 section. Except as otherwise provided in this section, if the
26 operation of the special membership counting provisions under
27 section 6(4)(dd) and the other membership counting provisions under
28 section 6(4) result in a pupil being counted as more than 1.0 FTE
29 in a fiscal year, then the payment made for the pupil under

sections 22a and 22b must not be based on more than 1.0 FTE for that pupil, and that portion of the FTE that exceeds 1.0 is paid under this section in an amount equal to that portion multiplied by the educating district's foundation allowance or per-pupil payment calculated under section 20.

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

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

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

Sec. 25i. (1) From the general fund money appropriated in section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed ~~\$2,000,000.00~~**\$4,000,000.00** for an eligible attendance recovery program as described in subsection (3). The funds allocated under this section must be used to administer an eligible attendance recovery program for all districts that opt into the program to serve eligible pupils described in subsection (2).

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

(a) The pupil did not engage in the district's remote continuous education offerings in spring ~~2020-2021~~.

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

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

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

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

5 (f) The pupil has disengaged in his or her education, is
 6 attending school irregularly, or is not progressing in his or her
 7 coursework.

8 **(g) The pupil participated in or was eligible to participate**
 9 **in the district's summer 2021 educational offerings.**

10 (3) An attendance recovery program that ~~meets all of the~~
 11 ~~following~~ **received funding under this section in 2020-2021** is an
 12 **the** eligible attendance recovery program under this section. ÷

13 ~~(a) Reflects experience and successful outcomes running~~
 14 ~~statewide student recovery programs.~~

15 ~~(b) Has, at a minimum, 2 years of experience working with this~~
 16 ~~state's local education agencies.~~

17 ~~(c) Has multimodal contact capabilities that include, but are~~
 18 ~~not limited to, a call center, electronic mail, text, social media~~
 19 ~~matching, and public service announcements.~~

20 ~~(d) Reflects experience in assisting at-risk students in~~
 21 ~~overcoming learning barriers in a remote or online learning~~
 22 ~~environment.~~

23 ~~(e) Has the ability to scale to provide outreach to at least~~
 24 ~~20,000 students before the end of 2020.~~

25 (4) ~~The department shall choose and designate the provider of~~
 26 ~~the eligible attendance recovery program under this section by not~~
 27 ~~later than November 1, 2020.~~ The provider chosen and designated by
 28 the department under this subsection **in 2020-2021** must **continue to**
 29 do all of the following:

1 (a) Work with the department to notify districts about the
2 program and provide technical assistance to districts interested in
3 opting in.

4 (b) Work with each district to obtain contact information for
5 each eligible pupil.

6 (c) Provide outreach using differentiated treatment strategies
7 to pupils and families using multiple modalities that may include
8 phone, text, social media, ~~electronic mail, email~~, and traditional
9 mail, to find and engage eligible pupils.

10 (d) Implement a culturally and linguistically responsive
11 outreach and support plan. Elements of the plan must include
12 differentiated outreach and ongoing coaching strategies to families
13 to ensure cultural and linguistic relevance.

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

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

22 (g) Report weekly to each district that has opted into the
23 program and to the department with metrics agreed upon by the
24 provider and the department.

25 (5) Notwithstanding section 17b, the department shall make
26 payments under this section by not later than December 1,
27 ~~2020-2021~~.

28 **Sec. 25k. (1) From the general fund money appropriated under**
29 **section 11, there is allocated for 2021-2022 an amount not to**

1 exceed \$100.00 to an eligible program that provides dropout
 2 prevention solutions for at-risk students and disengaged learners
 3 by offering during-school social and emotional learning,
 4 enrichment, career exploration, and counseling.

5 (2) A program that does all of the following is an eligible
 6 program under this section:

7 (a) Provides core academics that get students back on track
 8 toward graduation by allowing students to earn credit for 2 grade
 9 levels in 1 year.

10 (b) Reengages at-risk students who are close to dropping out
 11 of school.

12 (c) Provides a social emotional learning environment that
 13 creates a safe and productive learning space.

14 (d) Focuses on a math, science, English language arts, and
 15 social studies curriculum for students in grades 7, 8, and 9.

16 (e) Provides a hands-on, real-world, project-based curriculum.

17 (f) Provides soft skills development through individual
 18 collaborative pairs and small-group learning.

19 (g) Provides academic content for more than 50 careers.

20 (3) Notwithstanding section 17b, the department shall award
 21 grant funding under this section to a provider of an eligible
 22 program by not later than November 15, 2021.

23 Sec. 26a. From the ~~funds~~**state school aid fund money**
 24 appropriated in section 11, there is allocated an amount not to
 25 exceed \$15,300,000.00 for ~~2020-2021~~**2021-2022** to reimburse
 26 districts and intermediate districts under section 12 of the
 27 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes
 28 levied in ~~2020~~**2021**. The department shall pay the allocations not
 29 later than 60 days after the department of treasury certifies to

1 the department and to the state budget director that the department
 2 of treasury has received all necessary information to properly
 3 determine the amounts due to each eligible recipient.

4 Sec. 26b. (1) From the ~~appropriation~~**state school aid fund**
 5 **money appropriated** in section 11, there is allocated an amount not
 6 to exceed \$4,645,000.00 for ~~2020-2021~~**2021-2022** for payments to
 7 districts, intermediate districts, and community college districts
 8 for the portion of the payment in lieu of taxes obligation that is
 9 attributable to districts, intermediate districts, and community
 10 college districts under section 2154 of the natural resources and
 11 environmental protection act, 1994 PA 451, MCL 324.2154.

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

16 Sec. 26c. (1) From the state school aid fund money
 17 appropriated under section 11, there is allocated an amount not to
 18 exceed ~~\$9,700,000.00~~**\$11,300,000.00** for 2020-2021 **and there is**
 19 **allocated an amount not to exceed \$13,800,000.00 for 2021-2022** to
 20 the promise zone fund created in subsection (3). The funds
 21 allocated under this section reflect the amount of revenue from the
 22 collection of the state education tax captured under section 17 of
 23 the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

24 (2) Funds allocated to the promise zone fund under this
 25 section must be used solely for payments to eligible districts and
 26 intermediate districts, in accordance with section 17 of the
 27 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,
 28 that have a promise zone development plan approved by the
 29 department of treasury under section 7 of the Michigan promise zone

1 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and
2 intermediate districts shall use payments made under this section
3 for reimbursement for qualified educational expenses as **that term**
4 **is** defined in section 3 of the Michigan promise zone authority act,
5 2008 PA 549, MCL 390.1663.

6 (3) The promise zone fund is created as a separate account
7 within the state school aid fund to be used solely for the purposes
8 of the Michigan promise zone authority act, 2008 PA 549, MCL
9 390.1661 to 390.1679. All of the following apply to the promise
10 zone fund:

11 (a) The state treasurer shall direct the investment of the
12 promise zone fund. The state treasurer shall credit to the promise
13 zone fund interest and earnings from fund investments.

14 (b) Money in the promise zone fund at the close of a fiscal
15 year remains in the promise zone fund and does not lapse to the
16 general fund.

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

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

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

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

(3) The Michigan strategic fund and the Michigan economic development corporation shall work with the department of treasury in identifying the amount of tax revenues that are to be reimbursed under subsection (1).

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

Sec. 28. (1) To recognize differentiated instructional costs for different types of pupils in ~~2020-2021~~, **2021-2022**, the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections:

(a) Section 22d, isolated and rural districts,
~~\$7,000,000.00.~~ **\$8,120,000.00.**

(b) Section 31a, at risk, standard programming,
~~\$510,000,000.00.~~

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

(d) Section 41, bilingual education for English language learners, ~~\$13,000,000.00.~~ **\$13,390,000.00.**

(e) Section 51c, special education, mandated percentages,
~~\$713,400,000.00.~~ **\$733,000,000.00.**

(f) Section 51f, special education, additional percentages,
~~\$60,207,000.00.~~ **\$61,407,000.00.**

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

(h) Section 61d, career and technical education incentives,

1 \$5,000,000.00.

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

5 Sec. 29a. (1) From the state school aid fund money
6 appropriated under section 11, there is allocated for 2020-2021 an
7 amount not to exceed ~~\$66,000,000.00~~ **\$50,000,000.00** for payments as
8 provided under this section to eligible districts described in
9 subsection (2).

10 (2) A district for which its 2020-2021 pupils in membership
11 exceeds the calculation of membership for that district under
12 section 6(4) for 2020-2021 is an eligible district under this
13 section.

14 (3) The payment to each eligible district under this section
15 must be equal to the lesser of the eligible district's foundation
16 allowance or the target foundation allowance multiplied by the
17 difference between the eligible district's 2020-2021 pupils in
18 membership and the eligible district's membership for 2020-2021 as
19 calculated under section 6(4).

20 (4) If funds allocated under this section are insufficient to
21 fully fund the calculations under this section, the department
22 shall apply proration of an equal dollar amount per pupil.

23 (5) As used in this section, "2020-2021 pupils in membership"
24 means the sum of (the product of .90 times the number of full-time
25 equated pupils engaged in pandemic learning for fall 2020 or, for a
26 district that is a public school academy that operates as a cyber
27 school, as that term is defined in section 551 of the revised
28 school code, MCL 380.551, the number of full-time equated pupils in
29 grades K to 12 actually enrolled and in regular daily attendance in

the district on pupil membership count day for the current school year) and (the product of .10 times 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 district for the immediately preceding school year).

Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed ~~\$535,150,000.00~~**\$537,150,000.00** for payments to eligible districts and eligible public school academies for the purposes of ensuring that pupils are proficient in English language arts by the end of grade 3, that pupils are proficient in mathematics by the end of grade 8, that pupils are attending school regularly, that high school graduates are career and college ready, and for the purposes under subsections (7) and (8).

(2) For a district that has combined state and local revenue per membership pupil under ~~section~~**sections** 20 **and 20m** that is greater than the target foundation allowance under section 20 for the current fiscal year and that, for the immediately preceding fiscal year, had combined state and local revenue per membership pupil under section 20 that was greater than the target foundation allowance under section 20 that was in effect for that fiscal year, the allocation under this section is an amount equal to 30% of the allocation for which it would otherwise be eligible under this section before any proration under subsection ~~(14).~~**(15)**. It is the intent of the legislature that, if revenues are sufficient and if districts with combined state and local revenue per membership pupil under section 20 that is below the target foundation allowance are receiving nonprorated payments under this section, the percentage in the immediately preceding sentence must be

increased annually until it reaches 100%. If a district has combined state and local revenue per membership pupil under ~~section~~ **sections 20 and 20m** that is greater than the target foundation allowance under section 20 for the current fiscal year, but for the 2018-2019 fiscal year had combined state and local revenue per membership pupil under section 20 that was less than the basic foundation allowance under section 20 that was in effect for the 2018-2019 fiscal year, the district shall receive an amount per pupil equal to 11.5% of the statewide weighted average foundation allowance, as applied under subsection (4), and before any proration under subsection ~~(14)~~ **(15)**.

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

1 interventions, and supports.

2 (d) A comprehensive screening and assessment system.

3 (e) Continuous data-based decision making.

4 (4) From the funds allocated under subsection (1), there is
5 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
6 \$510,000,000.00 to continue a weighted foundation per pupil payment
7 for districts and public school academies enrolling economically
8 disadvantaged pupils. The department shall pay under this section
9 to each eligible district or eligible public school academy an
10 amount per pupil equal to 11.5% of the statewide weighted average
11 foundation allowance for the following, as applicable:

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

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

19 (ii) If the district or public school academy is in the
20 community eligibility program, the number of pupils determined to
21 be eligible based on the product of the identified student
22 percentage multiplied by the total number of pupils in the district
23 or public school academy, as reported to the center in the form and
24 manner prescribed by the center not later than the fifth Wednesday
25 after the pupil membership count day of the immediately preceding
26 fiscal year. These calculations must be made at the building level.
27 This subparagraph only applies to an eligible district or eligible
28 public school academy for the fiscal year immediately following the
29 first fiscal year in which it is in the community eligibility

1 program. As used in this subparagraph, "identified student
2 percentage" means the quotient of the number of pupils in an
3 eligible district or eligible public school academy who are
4 determined to be economically disadvantaged, as reported to the
5 center in a form and manner prescribed by the center, not later
6 than the fifth Wednesday after the pupil membership count day in
7 the fiscal year preceding the first fiscal year in which the
8 eligible district or eligible public school academy is in the
9 community eligibility program, divided by the total number of
10 pupils counted in an eligible district or eligible public school
11 academy on the pupil membership count day in the fiscal year
12 preceding the first fiscal year in which the eligible district or
13 eligible public school academy is in the community eligibility
14 program.

15 (b) If the district or public school academy began operations
16 as a district or public school academy after the pupil membership
17 count day of the immediately preceding school year, the number of
18 membership pupils in the district or public school academy who are
19 determined to be economically disadvantaged, as reported to the
20 center in the form and manner prescribed by the center not later
21 than the fifth Wednesday after the pupil membership count day of
22 the current fiscal year.

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

1 year.

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

17 (5) Except as otherwise provided in this section, a district
18 or public school academy receiving funding under this section shall
19 use that money only to provide instructional programs and direct
20 noninstructional services, including, but not limited to, medical,
21 mental health, or counseling services, for at-risk pupils; for
22 school health clinics; and for the purposes of subsection (6), (7),
23 or (8). In addition, a district that is a school district of the
24 first class or a district or public school academy in which at
25 least 50% of the pupils in membership were determined to be
26 economically disadvantaged in the immediately preceding state
27 fiscal year, as determined and reported as described in subsection
28 (4), may use not more than 20% of the funds it receives under this
29 section for school security ~~that aligns or~~ **school parent liaison**

1 personnel. The uses of the funds described in the immediately
2 preceding sentence must align to the needs assessment and **align to**
3 the multi-tiered system of supports model, and, for funds spent on
4 school parent liaison personnel, must connect parents to the school
5 community. A district or public school academy shall not use any of
6 that money for administrative costs. The instruction or direct
7 noninstructional services provided under this section may be
8 conducted before or after regular school hours or by adding extra
9 school days to the school year.

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

18 (7) From the funds allocated under subsection (1), there is
19 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
20 ~~\$8,000,000.00~~**\$10,000,000.00** to support primary health care
21 services provided to children and adolescents up to age 21. These
22 funds must be expended in a form and manner determined jointly by
23 the department and the department of health and human services. If
24 any funds allocated under this subsection are not used for the
25 purposes of this subsection for the fiscal year in which they are
26 allocated, those unused funds must be used that fiscal year to
27 avoid or minimize any proration that would otherwise be required
28 under subsection ~~(14)~~**(15)** for that fiscal year.

29 (8) From the funds allocated under subsection (1), there is

1 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
2 \$5,150,000.00 for the state portion of the hearing and vision
3 screenings as described in section 9301 of the public health code,
4 1978 PA 368, MCL 333.9301. A local public health department shall
5 pay at least 50% of the total cost of the screenings. The frequency
6 of the screenings must be as required under R 325.13091 to R
7 325.13096 and R 325.3271 to R 325.3276 of the Michigan
8 Administrative Code. Funds must be awarded in a form and manner
9 approved jointly by the department and the department of health and
10 human services. Notwithstanding section 17b, the department shall
11 make payments to eligible entities under this subsection on a
12 schedule determined by the department.

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

1 public school academy complies with this subsection. If the
2 district or public school academy does not comply with this
3 subsection by the end of the fiscal year, the withheld funds are
4 forfeited to the school aid fund.

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

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

24 (12) A district or public school academy that receives funds
25 under this section may use up to 7.5% of those funds to provide
26 research based professional development and to implement a coaching
27 model that supports the multi-tiered system of supports framework.
28 Professional development may be provided to district and school
29 leadership and teachers and must be aligned to professional

1 learning standards; integrated into district, school building, and
 2 classroom practices; and solely related to the following:

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

6 (b) Implementing section 1280f of the revised school code, MCL
 7 380.1280f, as required under subsection (3), with fidelity.

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

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

18 **(15) ~~(14)~~**—If necessary, and before any proration required
 19 under section 296, the department shall prorate payments under this
 20 section, except payments under subsection (7), (8), or ~~(16)~~, **(17)**,
 21 by reducing the amount of the allocation as otherwise calculated
 22 under this section by an equal percentage per district.

23 **(16) ~~(15)~~**—If a district is dissolved pursuant to section 12 of
 24 the revised school code, MCL 380.12, the intermediate district to
 25 which the dissolved district was constituent shall determine the
 26 estimated number of pupils that are economically disadvantaged and
 27 that are enrolled in each of the other districts within the
 28 intermediate district and provide that estimate to the department
 29 for the purposes of distributing funds under this section within 60

1 days after the district is declared dissolved.

2 **(17)** ~~(16)~~ From the funds allocated under subsection (1), there
 3 is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 4 \$12,000,000.00 for payments to districts and public school
 5 academies that otherwise received an allocation under this
 6 subsection for ~~2019-2020~~ **2020-2021** and whose allocation under this
 7 section for ~~2019-2020~~, **2020-2021**, excluding any payments under
 8 subsection (7) or (8), would have been more than the district's or
 9 public school academy's allocation under this section for ~~2020-2021~~
 10 **2021-2022** as calculated under subsection (4) only and as adjusted
 11 under subsection ~~(14)~~. **(15)**. The allocation for each district or
 12 public school academy under this subsection is an amount equal to
 13 its allocation under this section for ~~2019-2020~~ **2020-2021** minus its
 14 allocation as otherwise calculated under subsection (4) for ~~2020-~~
 15 ~~2021~~, **2021-2022** as adjusted by subsection ~~(14)~~, **(15)**, using in
 16 those calculations the 2017-2018 number of pupils determined to be
 17 economically disadvantaged. However, if the allocation as otherwise
 18 calculated under this subsection would have been less than \$0.00,
 19 the allocation under this subsection is \$0.00. If necessary, and
 20 before any proration required under section 296, the department
 21 shall prorate payments under this subsection by reducing the amount
 22 of the allocation as otherwise calculated under this subsection by
 23 an equal percentage per district or public school academy. Any
 24 unexpended funds under this subsection are to be distributed
 25 through payments made under subsection (4) as provided under
 26 subsection (4), but those funds must not be factored into
 27 calculating payments under this subsection.

28 **(18)** ~~(17)~~ A district or public school academy that receives
 29 funds under this section may use funds received under this section

1 to provide an anti-bullying or crisis intervention program.

2 **(19)** ~~(18)~~—The department shall collaborate with the department
3 of health and human services to prioritize assigning Pathways to
4 Potential Success coaches to elementary schools that have a high
5 percentage of pupils in grades K to 3 who are not proficient in
6 English language arts, based upon state assessments for pupils in
7 those grades.

8 **(20)** ~~(19)~~—As used in this section:

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

12 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

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

29 (x) Is a pupil who is at risk of not meeting the district's or

1 public school academy's core academic curricular objectives in
 2 English language arts or mathematics, as demonstrated on local
 3 assessments.

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

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

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

23 Sec. 31d. (1) From the appropriations in section 11, there is
 24 allocated an amount not to exceed ~~\$23,144,000.00~~**\$23,838,400.00** for
 25 2020-2021 **and there is allocated an amount not to exceed**
 26 **\$23,838,400.00 for 2021-2022** for the purpose of making payments to
 27 districts and other eligible entities under this section.

28 (2) The amounts allocated from state sources under this
 29 section are used to pay the amount necessary to reimburse districts

1 for 6.0127% of the necessary costs of the state mandated portion of
2 lunch programs provided by those districts. The department shall
3 calculate the amount due to each district under this section using
4 the methods of calculation adopted by the Michigan supreme court in
5 the consolidated cases known as *Durant v State of Michigan*, 456
6 Mich 175 (1997).

7 (3) The payments made under this section include all state
8 payments made to districts so that each district receives at least
9 6.0127% of the necessary costs of operating the state mandated
10 portion of the lunch program in a fiscal year.

11 (4) The payments made under this section to districts and
12 other eligible entities that are not required under section 1272a
13 of the revised school code, MCL 380.1272a, to provide a lunch
14 program must, except for in 2020-2021, be in an amount not to
15 exceed \$10.00 per eligible pupil plus 5 cents for each free lunch
16 and 2 cents for each reduced price lunch provided, as determined by
17 the department. For 2020-2021 only, the amount described in this
18 subsection is not to exceed \$10.00 per eligible pupil plus 5 cents
19 for each lunch provided, as determined by the department.

20 (5) From the federal funds appropriated in section 11, there
21 is allocated for 2020-2021 all available federal funding, estimated
22 at \$545,000,000.00, **and there is allocated for 2021-2022 all**
23 **available federal funding, estimated at \$545,000,000.00** for child
24 nutrition programs and, **for 2020-2021**, all available federal
25 funding, estimated at \$5,000,000.00 **and, for 2021-2022, all**
26 **available federal funding, estimated at \$11,000,000.00**, for food
27 distribution programs.

28 (6) Notwithstanding section 17b, the department shall make
29 payments to eligible entities other than districts under this

1 section on a schedule determined by the department.

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

6 Sec. 31f. (1) From the ~~appropriations~~ **state school aid fund**
7 **money appropriated** in section 11, there is allocated an amount not
8 to exceed ~~\$4,500,000.00~~ **\$11,900,000.00** for 2020-2021 **and there is**
9 **allocated an amount not to exceed \$11,900,000.00 for 2021-2022** for
10 the purpose of making payments to districts to reimburse for the
11 cost of providing breakfast.

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

15 (a) The district participates in the federal school breakfast
16 program and meets all standards as prescribed by 7 CFR parts 210,
17 220, 225, 226, and 245.

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

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

27 (4) Notwithstanding section 17b, the department may make
28 payments under this section pursuant to an agreement with the
29 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 ~~\$200,000.00~~ **\$450,000.00** and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$1,800,000.00~~ **\$4,000,000.00** for ~~2020-2021~~ **2021-2022** for a program to support districts and sponsors of child care centers in the purchase of locally grown fruits and vegetables as described in this section.

(2) ~~Funding retained by districts and the sponsors of child care centers that administer the program must not exceed 10%, and funding retained by the department for administration must not exceed 6%. A district or the sponsor of a child care center may enter into a memorandum of understanding with the department or another district or sponsor of a child care center, or both, to administer the program. If the department administers the program for a district or the sponsor of a child care center, the department may retain up to 10% of that district's or sponsor's funding for administration or may distribute some or all of that 10% to project partners as appropriate.~~ **Funding under this section retained by the department for administration must not exceed 5%. Funding under this section retained by project partners for data collection outreach and training must not exceed 1% for each partner.**

(3) The department shall develop and implement a competitive grant program for districts and sponsors of child care centers to

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

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

18 (5) A district or the sponsor of a child care center that
19 receives a grant under this section shall use those funds for the
20 costs incurred by the district or the sponsor to purchase whole or
21 minimally processed fruits, vegetables, and legumes that meet all
22 of the following:

23 (a) Were purchased for ~~the 2020-2021 fiscal year, including~~
24 ~~purchases to launch meals in August 2020 and September 2020.~~ **use in**
25 **school meals served between September 1, 2021 through August 30,**
26 **2022.**

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

29 (c) Are used for meals that are served as part of the United

1 States Department of Agriculture's child nutrition programs.

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

8 (7) A district or the sponsor of a child care center that
9 receives a grant for reimbursement under this section shall use the
10 grant to purchase whole or minimally processed fruits, vegetables,
11 and legumes that are grown in this state and, if minimally
12 processed, are also processed in this state.

13 (8) In awarding grants under this section, the department
14 shall work ~~in conjunction with districts and sponsors of child care~~
15 ~~centers,~~ in consultation with Michigan-based farm to school
16 resource organizations, to develop scoring criteria that assess an
17 applicant's ability to procure Michigan-grown products, prepare and
18 menu Michigan-grown products, promote and market Michigan-grown
19 products, and submit letters of intent from districts or the
20 sponsors of child care centers on plans for educational activities
21 that promote the goals of the program.

22 (9) The department shall give preference to districts or
23 sponsors of child care centers that propose educational activities
24 that meet 1 or more of the following: promote healthy food
25 activities; have clear educational objectives; involve parents or
26 the community; connect to a school's or child care center's farm-
27 to-school or farm-to-early-child-care procurement activities; and
28 market and promote the program, leading to increased pupil
29 knowledge and consumption of Michigan-grown products. The

department shall give stronger weighting and consideration to applications with robust marketing and promotional activities.

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

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

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

(c) The existing or future collaboration opportunities between more than 1 district or child care center.

(11) As a condition of receiving a grant under this section, a district or the sponsor of a child care center shall provide or direct its vendors to provide to the department copies of monthly receipts that show the quantity of different Michigan-grown fruits, vegetables, and legumes purchased, the amount of money spent on each of these products, the name and Michigan location of the farm that grew the products, and the methods or plans to market and promote the program. The district or the sponsor of a child care center also shall provide to the department monthly ~~lunch~~ **United States Department of Agriculture child nutrition reimbursable meal** numbers and ~~lunch~~ participation rates and ~~calendars or~~ **must retain** monthly menus noting when and how Michigan-grown products were used in meals. The district or the sponsor of the child care center and school or child care center food service director or directors also shall agree to respond to brief online surveys and to provide a report that shows the percentage relationship of Michigan spending compared to total food spending. Not later than 60 days after the end of the school year in which funds under this section were

1 received, each district or each sponsor of a child care center
2 shall submit a report to the department on outcomes and related
3 measurements for economic development and children's nutrition and
4 readiness to learn. The report must include at least both of the
5 following:

6 (a) The extent to which farmers and related businesses,
7 including distributors and processors, saw an increase in market
8 opportunities and income generation through sales of Michigan or
9 local products to districts and sponsors of child care centers. All
10 of the following apply for purposes of this subdivision:

11 (i) The data used to determine the amount of this increase are
12 the total dollar amount of Michigan or local fruits, vegetables,
13 and legumes purchased by schools and sponsors of child care
14 centers, along with the number of different types of products
15 purchased; school and child care center food purchasing trends
16 identified along with products that are of new and growing interest
17 among food service directors; the number of businesses impacted;
18 and the percentage of total food budget spent on Michigan-grown
19 fruits, vegetables, and legumes.

20 (ii) The district or the sponsor of a child care center shall
21 use purchasing data collected for the program and surveys of school
22 and child care food service directors on the impact and success of
23 the program as the source for the data described in subparagraph
24 (i).

25 (b) The ability to which pupils can access a variety of
26 healthy Michigan-grown foods through schools and child care centers
27 and increase their consumption of those foods. All of the following
28 apply for purposes of this subdivision:

29 (i) The data used to determine whether this subdivision is met

1 are the number of pupils exposed to Michigan-grown fruits,
2 vegetables, and legumes at schools and child care centers; the
3 variety of products served; new items taste-tested or placed on
4 menus; and the increase in pupil willingness to try new local
5 healthy foods.

6 (ii) The district or the sponsor of a child care center shall
7 use purchasing data collected for the project, meal count and
8 enrollment numbers, school menu calendars, and surveys of school
9 and child care food service directors as the source for the data
10 described in subparagraph (i).

11 (12) The department shall compile the reports provided by
12 districts and sponsors of child care centers under subsection (11)
13 into 1 legislative report. The department shall provide this report
14 not later than November 1, ~~2021~~**2022** to the house and senate
15 subcommittees responsible for state school aid, the house and
16 senate fiscal agencies, and the state budget director.

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

20 Sec. 31m. (1) The school mental health and support services
21 fund is created as a separate account within the state school aid
22 fund.

23 (2) The state treasurer may receive money or other assets from
24 any source for deposit into the school mental health and support
25 services fund. The state treasurer shall direct the investment of
26 the school mental health and support services fund and shall credit
27 to the school mental health and support services fund interest and
28 earnings from the school mental health and support services fund.

29 (3) Money available in the school mental health and support

1 services fund ~~shall~~**must** not be expended without a specific
2 appropriation.

3 (4) Money in the school mental health and support services
4 fund at the close of the fiscal year ~~shall remain in the school~~
5 ~~mental health and support services fund and shall not lapse~~**lapses**
6 to the state school aid fund. ~~or to the general fund.~~ The
7 department of treasury shall be the administrator of the school
8 mental health and support services fund for auditing purposes.

9 (5) For the fiscal year ending September 30, 2018,
10 \$30,000,000.00 from the state school aid fund shall be deposited
11 into the school mental health and support services fund to be used
12 to support efforts to improve mental health and support services
13 for K-12 pupils in this state, including, but not limited to,
14 improved access to counseling services, educational awareness
15 programs, and enhanced mental health and clinical services.

16 Sec. 31n. (1) From the state school aid fund money
17 appropriated in section 11, there is allocated for ~~2020-2021~~**2021-**
18 **2022** for the purposes of this section an amount not to exceed
19 \$55,600,000.00 and from the general fund money appropriated in
20 section 11, there is allocated for ~~2020-2021~~**2021-2022** for the
21 purposes of this section an amount not to exceed \$1,300,000.00. The
22 department and the department of health and human services shall
23 continue a program to distribute this funding to add licensed
24 behavioral health providers for general education pupils, and shall
25 continue to seek federal Medicaid match funding for all eligible
26 mental health and support services.

27 (2) The department and the department of health and human
28 services shall maintain an advisory council for programs funded
29 under this section. The advisory council shall define goals for

implementation of programs funded under this section, and shall provide feedback on that implementation. At a minimum, the advisory council shall consist of representatives of state associations representing school health, school mental health, school counseling, education, health care, and other organizations, representatives from the department and the department of health and human services, and a representative from the school safety task force created under Executive Order No. 2018-5. The department and department of health and human services, working with the advisory council, shall determine an approach to increase capacity for mental health and support services in schools for general education pupils, and shall determine where that increase in capacity qualifies for federal Medicaid match funding.

(3) The advisory council shall develop a fiduciary agent checklist for intermediate districts to facilitate development of a plan to submit to the department and to the department of health and human services. The department and department of health and human services shall determine the requirements and format for intermediate districts to submit a plan for possible funding under subsection ~~(5)~~ (6). The department shall make applications for funding for this program available to districts and intermediate districts not later than December 1, ~~2020-2021~~ for the ~~2020-2021~~ **2021-2022** fiscal year and shall award the funding not later than February 1, ~~2021-2022~~ for the ~~2020-2021-2021-2022~~ fiscal year.

(4) The department of health and human services shall seek to amend the state Medicaid plan or obtain appropriate Medicaid waivers as necessary for the purpose of generating additional Medicaid match funding for school mental health and support services for general education pupils. The intent is that a

1 successful state plan amendment or other Medicaid match mechanisms
2 will result in additional federal Medicaid match funding for both
3 the new funding allocated under this section and for any expenses
4 already incurred by districts and intermediate districts for mental
5 health and support services for general education pupils.

6 (5) From the state school aid fund money allocated under
7 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
8 amount not to exceed \$9,300,000.00 to be distributed to the network
9 of child and adolescent health centers to place a licensed master's
10 level behavioral health provider in schools that do not currently
11 have services available to general education students. Child and
12 adolescent health centers that are part of the network described in
13 this subsection shall provide a commitment to maintain services and
14 implement all available federal Medicaid match methodologies. The
15 department of health and human services shall use all existing or
16 additional federal Medicaid match opportunities to maximize funding
17 allocated under this subsection. The department shall provide funds
18 under this subsection to child and adolescent health centers that
19 are part of the network described in this subsection in the same
20 proportion that funding under section 31a(7) is provided to child
21 and adolescent health centers that are part of the network
22 described in this subsection and that are located and operating in
23 those districts. A payment from funding allocated under this
24 subsection must not be paid to an entity that is not part of the
25 network described in this subsection.

26 (6) From the state school aid fund money allocated under
27 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
28 amount not to exceed \$45,800,000.00 to be distributed to
29 intermediate districts for the provision of mental health and

1 support services to general education students. If a district or
2 intermediate district is not able to procure the services of a
3 licensed master's level behavioral health provider, the district or
4 intermediate district shall notify the department and the
5 department of health and human services and, if the department and
6 department of health and human services verify that the district or
7 intermediate district attempted to procure services from a master's
8 level behavioral health provider and was not able to do so, then
9 the district or intermediate district may instead procure services
10 from a provider with less than a master's degree in behavioral
11 health. To be able to use the exemption in the immediately
12 preceding sentence, the district or intermediate district must
13 submit evidence satisfactory to the department and department of
14 health and human services demonstrating that the district or
15 intermediate district took measures to procure the services of a
16 licensed master's level behavioral health provider but was unable
17 to do so, and the department and department of health and human
18 services must be able to verify this evidence. From the first
19 \$29,400,000.00 of the funds allocated under this subsection, the
20 department shall distribute ~~\$817,800.00~~ \$525,000.00 for ~~2020-2021~~
21 2021-2022 to each intermediate district that submits a plan
22 approved by the department and the department of health and human
23 services. The department shall distribute the remaining
24 \$16,400,000.00 of the funds allocated under this subsection for
25 2021-2022 to intermediate districts on an equal per pupil basis
26 based on the combined total number of pupils in membership in the
27 intermediate district and its constituent districts, including
28 public school academies that are considered to be constituent
29 districts under section 705(7) of the revised school code, MCL

1 **380.705.** The department and department of health and human services
 2 shall work cooperatively in providing oversight and assistance to
 3 intermediate districts during the plan submission process and shall
 4 monitor the program upon implementation. An intermediate district
 5 shall use funds awarded under this subsection to provide funding to
 6 its constituent districts, including public school academies that
 7 are considered to be constituent districts under section 705(7) of
 8 the revised school code, MCL 380.705, for the provision of mental
 9 health and support services to general education students. In
 10 addition to the criteria identified under subsection (7), an
 11 intermediate district shall consider geography, cost, or other
 12 challenges when awarding funding to its constituent districts. ~~For~~
 13 ~~2020-2021 only, even if grants under this subsection have already~~
 14 ~~been received by constituent districts of an intermediate district~~
 15 ~~under this subsection, the intermediate district may award~~
 16 ~~additional grants to its constituent districts from funding~~
 17 ~~allocated through the amendatory act that added this sentence,~~
 18 ~~based on applications as described in subsection (7) that have~~
 19 ~~already been submitted for the fiscal year, and, if a constituent~~
 20 ~~district did not apply for initial grants as described in~~
 21 ~~subsection (7) before the effective date of the amendatory act that~~
 22 ~~added this sentence and asks to apply for the additional grants~~
 23 ~~described in this sentence, the intermediate district must allow~~
 24 ~~the constituent district to submit an application for the~~
 25 ~~additional grant funding.~~ **Districts receiving funding under this**
 26 **subsection are encouraged to provide suicide prevention and**
 27 **awareness education and counseling.** If funding awarded to an
 28 intermediate district remains after funds are provided by the
 29 intermediate district to its constituent districts, the

1 intermediate district may hire or contract for experts to provide
2 mental health and support services to general education students
3 residing within the boundaries of the intermediate district,
4 including, but not limited to, expanding, hiring, or contracting
5 for staff and experts to provide those services directly or to
6 increase access to those services through coordination with outside
7 mental health agencies; **and the intermediate district is encouraged**
8 **to provide suicide prevention and awareness education and**
9 **counseling.**

10 (7) A district requesting funds under this section from the
11 intermediate district in which it is located shall submit an
12 application for funding for the provision of mental health and
13 support services to general education pupils. A district receiving
14 funding from the application process described in this subsection
15 shall provide services to nonpublic students upon request. An
16 intermediate district shall not discriminate against an application
17 submitted by a public school academy simply on the basis of the
18 applicant being a public school academy. The department shall
19 approve grant applications based on the following criteria:

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

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

29 (c) The district's commitment to adhere to any local funding

1 requirements determined by the department and the department of
2 health and human services.

3 (d) The extent of the district's existing partnerships with
4 community health care providers or the ability of the district to
5 establish such partnerships.

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

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

11 (g) Whether the district will participate in ongoing
12 trainings.

13 (h) Whether the district will submit an annual report to the
14 state.

15 (i) Whether the district demonstrates a willingness to work
16 with the state to establish program and service delivery
17 benchmarks.

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

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

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

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

28 (a) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
29 \$1,000,000.00 for the purpose of upgrading technology and systems

1 infrastructure and other administrative requirements to support the
2 programs funded under this section.

3 (b) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
4 \$300,000.00 for the purpose of administering the programs under
5 this section and working on generating additional Medicaid funds as
6 a result of programs funded under this section.

7 (10) From the state school aid fund money allocated under
8 subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an
9 amount not to exceed \$500,000.00 to intermediate districts on an
10 equal per intermediate district basis for the purpose of
11 administering programs funded under this section.

12 (11) The department and the department of health and human
13 services shall work with the advisory council to develop proposed
14 measurements of outcomes and performance. Those measurements must
15 include, at a minimum, the number of pupils served, the number of
16 schools served, and where those pupils and schools were located.
17 The department and the department of health and human services
18 shall compile data necessary to measure outcomes and performance,
19 and districts and intermediate districts receiving funding under
20 this section shall provide data requested by the department and
21 department of health and human services for the measurement of
22 outcomes and performance. The department and department of health
23 and human services shall provide an annual report not later than
24 December 1 of each year to the house and senate appropriations
25 subcommittees on ~~state~~ school aid and health and human services, to
26 the house and senate fiscal agencies, and to the state budget
27 director. At a minimum, the report must include measurements of
28 outcomes and performance, proposals to increase efficacy and
29 usefulness, proposals to increase performance, and proposals to

1 expand coverage.

2 (12) ~~Beginning with 2018-2019, a~~ **A** district or intermediate
3 district that receives funding directly or indirectly under this
4 section may carry over any unexpended funds received under this
5 section for up to 2 fiscal years beyond the fiscal year in which
6 the funds were received.

7 **Sec. 31p. (1) From the state school aid fund money**
8 **appropriated under section 11, there is allocated for 2021-2022 an**
9 **amount not to exceed \$1,368,000.00 for grants to intermediate**
10 **districts to implement a TRAILS program as described in subsection**
11 **(2).**

12 **(2) Intermediate districts receiving funding under this**
13 **section must use the funding to implement a TRAILS program within**
14 **the boundaries of the intermediate district. The TRAILS program**
15 **described in this subsection must improve youth access to evidence-**
16 **based mental health services by training school mental health**
17 **professionals in effective practices, such as cognitive behavioral**
18 **therapy and mindfulness.**

19 **(3) The department shall establish a grant process to**
20 **distribute funds under this section.**

21 **(4) The department shall award, in an equal amount, grants**
22 **under this section to each intermediate district that has an**
23 **approved grant application for funding 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. 32d. (1) From the funds appropriated in section 11, there**
28 **is allocated to eligible intermediate districts and consortia of**
29 **intermediate districts for great start readiness programs an amount**

1 not to exceed ~~\$249,600,000.00~~ **\$281,800,000.00** for ~~2020-2021.~~ **2021-**
 2 **2022.** An intermediate district or consortium shall use funds
 3 allocated under this section for great start readiness programs to
 4 provide part-day, school-day, or GSRP/Head Start blended
 5 comprehensive free compensatory classroom programs designed to
 6 improve the readiness and subsequent achievement of educationally
 7 disadvantaged children who meet the participant eligibility and
 8 prioritization guidelines as defined by the department. ~~For a child~~
 9 ~~to be eligible to participate in a program under this section, the~~
 10 ~~child must be at least 4, but less than 5, years of age as of~~
 11 ~~September 1 of the school year in which the program is offered and~~
 12 ~~must meet those eligibility and prioritization guidelines. A child~~
 13 ~~who is not 4 years of age as of September 1, but who will be 4~~
 14 ~~years of age not later than December 1, is eligible to participate~~
 15 ~~if the child's parent or legal guardian seeks a waiver from the~~
 16 ~~September 1 eligibility date by submitting a request for enrollment~~
 17 ~~in a program to the responsible intermediate district, if the~~
 18 ~~program has capacity on or after September 1 of the school year,~~
 19 ~~and if the child meets eligibility and prioritization~~
 20 ~~guidelines.~~ **For a child to be eligible to participate in a program**
 21 **under this section, the child must be at least 3 years of age as of**
 22 **September 1 of the school year in which the program is offered and**
 23 **must meet those eligibility and prioritization guidelines. A**
 24 **program operating with funding under this section must prioritize**
 25 **access to children who are at least age 4 as of September 1 of the**
 26 **school year in which the program is offered and must develop an**
 27 **enrollment policy that maximizes the availability of**
 28 **prekindergarten programming and instruction. A program funded under**
 29 **this section may use funds to support children in blended**

1 **prekindergarten/kindergarten classrooms.**

2 (2) From the funds allocated under subsection (1), an amount
 3 not to exceed ~~\$247,600,000.00~~ **\$279,800,000.00** is allocated to
 4 intermediate districts or consortia of intermediate districts based
 5 on the formula in section 39. An intermediate district or
 6 consortium of intermediate districts receiving funding under this
 7 section shall act as the fiduciary for the great start readiness
 8 programs. In order to be eligible to receive funds allocated under
 9 this subsection from an intermediate district or consortium of
 10 intermediate districts, a district, a consortium of districts, or a
 11 public or private for-profit or nonprofit legal entity or agency
 12 must comply with this section and section 39.

13 (3) In addition to the allocation under subsection (1), from
 14 the general fund money appropriated under section 11, there is
 15 allocated an amount not to exceed ~~\$350,000.00~~ **\$600,000.00** for ~~2020-~~
 16 ~~2021-2021-2022~~ for a competitive grant to continue a longitudinal
 17 evaluation of children who have participated in great start
 18 readiness programs. This evaluation must include ~~, to the extent,~~
 19 ~~for 2020-2021, that data from the kindergarten readiness assessment~~
 20 ~~are available,~~ a comparative analysis of the relationship between
 21 great start readiness programs and performance on the kindergarten
 22 readiness assessment funded under section 104. The evaluation must
 23 use children wait-listed under this section for comparison, must
 24 include a determination of the specific great start readiness
 25 program in which the kindergarten students were enrolled and
 26 attended in the previous school year, and must ~~, to the extent, for~~
 27 ~~2020-2021, that data from the Michigan kindergarten entry~~
 28 ~~observation tool are available,~~ analyze Michigan kindergarten entry
 29 observation tool scores for students taking the Michigan

1 kindergarten entry observation tool each year and produce a report
2 as required under section 104. The performance data on the
3 kindergarten readiness assessment must be submitted to the center
4 at the same time as the fall Michigan student data system
5 collection. The responsibility for the analysis required under this
6 subsection may be added to the requirements that the department
7 currently has with its competitively designated current grantee.

8 (4) To be eligible for funding under this section, a program
9 must prepare children for success in school through comprehensive
10 part-day, school-day, or GSRP/Head Start blended programs that
11 contain all of the following program components, as determined by
12 the department:

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

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

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

23 (d) Physical and dental health and developmental screening
24 services for all program participants.

25 (e) Referral services for families of program participants to
26 community social service agencies, including mental health
27 services, as appropriate.

28 (f) Active and continuous involvement of the parents or
29 guardians of the program participants.

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

4 (h) Participation in a school readiness advisory committee
5 convened as a workgroup of the great start collaborative that
6 provides for the involvement of classroom teachers, parents or
7 guardians of program participants, and community, volunteer, and
8 social service agencies and organizations, as appropriate. The
9 advisory committee annually shall review and make recommendations
10 regarding the program components listed in this subsection. The
11 advisory committee also shall make recommendations to the great
12 start collaborative regarding other community services designed to
13 improve all children's school readiness.

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

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

18 (5) An application for funding under this section must provide
19 for the following, in a form and manner determined by the
20 department:

21 (a) Ensure compliance with all program components described in
22 subsection (4).

23 (b) Except as otherwise provided in this subdivision, ~~or~~
24 ~~section,~~ ensure that at least 90% of the children participating in
25 an eligible great start readiness program for whom the intermediate
26 district is receiving funds under this section are children who
27 live with families with a household income that is equal to or less
28 than 250% of the federal poverty guidelines. If the intermediate
29 district determines that all eligible children are being served and

1 that there are no children on the waiting list who live with
2 families with a household income that is equal to or less than 250%
3 of the federal poverty guidelines, the intermediate district may
4 then enroll children who live with families with a household income
5 that is equal to or less than 300% of the federal poverty
6 guidelines. The enrollment process must consider income and risk
7 factors, such that children determined with higher need are
8 enrolled before children with lesser need. For purposes of this
9 subdivision, ~~and subsection (27),~~ all age-eligible children served
10 in foster care or who are experiencing homelessness or who have
11 individualized education programs recommending placement in an
12 inclusive preschool setting are considered to live with families
13 with household income equal to or less than 250% of the federal
14 poverty guidelines regardless of actual family income and are
15 prioritized for enrollment within the lowest quintile.

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

18 (i) Teachers possessing proper training. A lead teacher must
19 have a valid **Michigan** teaching certificate with an early childhood
20 ~~(ZA or ZS)~~ **or lower elementary** endorsement or a bachelor's or
21 higher degree in child development or early childhood education
22 with specialization in preschool teaching. However, if an applicant
23 demonstrates to the department that it is unable to fully comply
24 with this subparagraph after making reasonable efforts to comply,
25 teachers who have significant but incomplete training in early
26 childhood education or child development may be used if the
27 applicant provides to the department, and the department approves,
28 a plan for each teacher to come into compliance with the standards
29 in this subparagraph. A teacher's compliance plan must be completed

1 within 2 years of the date of employment. Progress toward
2 completion of the compliance plan consists of at least 2 courses
3 per calendar year.

4 (ii) Paraprofessionals possessing proper training in early
5 childhood education, including an associate's degree in early
6 childhood education or child development or the equivalent, or a
7 child development associate (CDA) credential. However, if an
8 applicant demonstrates to the department that it is unable to fully
9 comply with this subparagraph after making reasonable efforts to
10 comply, the applicant may use paraprofessionals who have completed
11 at least 1 course that earns college credit in early childhood
12 education or child development if the applicant provides to the
13 department, and the department approves, a plan for each
14 paraprofessional to come into compliance with the standards in this
15 subparagraph. A paraprofessional's compliance plan must be
16 completed within 2 years of the date of employment. Progress toward
17 completion of the compliance plan consists of at least 2 courses or
18 60 clock hours of training per calendar year.

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

1 (6) For a grant recipient that enrolls pupils in a school-day
2 program funded under this section, each child enrolled in the
3 school-day program is counted as described in section 39 for
4 purposes of determining the amount of the grant award.

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

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

16 (9) An intermediate district or consortium of intermediate
17 districts may retain for administrative services provided by the
18 intermediate district or consortium of intermediate districts an
19 amount not to exceed 4% of the grant amount. Expenses incurred by
20 subrecipients engaged by the intermediate district or consortium of
21 intermediate districts for directly running portions of the program
22 are considered program costs or a contracted program fee for
23 service. Subrecipients operating with a federally approved indirect
24 rate for other early childhood programs may include indirect costs,
25 not to exceed the federal 10% de minimis.

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

29 (11) ~~Except as otherwise provided in this section, each~~ **Each**

1 grant recipient shall enroll children identified under subsection
2 (5)(b) according to how far the child's household income is below
3 250% of the federal poverty guidelines by ranking each applicant
4 child's household income from lowest to highest and dividing the
5 applicant children into quintiles based on how far the child's
6 household income is below 250% of the federal poverty guidelines,
7 and then enrolling children in the quintile with the lowest
8 household income before enrolling children in the quintile with the
9 next lowest household income until slots are completely filled. If
10 the grant recipient determines that all eligible children are being
11 served and that there are no children on the waiting list who live
12 with families with a household income that is equal to or less than
13 250% of the federal poverty guidelines, the grant recipient may
14 then enroll children who live with families with a household income
15 that is equal to or less than 300% of the federal poverty
16 guidelines. The enrollment process must consider income and risk
17 factors, such that children determined with higher need are
18 enrolled before children with lesser need. For purposes of this
19 subsection, ~~and subsection (27),~~ all age-eligible children served
20 in foster care or who are experiencing homelessness or who have
21 individualized education programs recommending placement in an
22 inclusive preschool setting are considered to live with families
23 with household income equal to or less than 250% of the federal
24 poverty guidelines regardless of actual family income and are
25 prioritized for enrollment within the lowest quintile.

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

1 contracted with another intermediate district or consortium of
2 intermediate districts and shall enter into a written agreement
3 regarding payment, in a manner prescribed by the department.

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

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

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

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

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

24 (14) If an intermediate district or consortium of intermediate
25 districts receiving a grant under this section fails to submit
26 satisfactory evidence to demonstrate its effort to contract for at
27 least 30% of its total allocation, as required under subsection
28 (13), the department shall reduce the allocation to the
29 intermediate district or consortium by a percentage equal to the

1 difference between the percentage of an intermediate district's or
2 consortium's total allocation awarded to community-based providers
3 and 30% of its total allocation.

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

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

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

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

25 (d) Not later than March 1 of each year, compile the results
26 of the information reported by each intermediate district or
27 consortium under subsection (13) and report to the legislature a
28 list by intermediate district or consortium with the number and
29 percentage of each intermediate district's or consortium's total

1 allocation allocated to community-based providers by provider type,
2 including private for-profit, private nonprofit, community college
3 or university, Head Start grantee or delegate, and district or
4 intermediate district.

5 (16) A recipient of funds under this section shall report to
6 the center in a form and manner prescribed by the center the
7 information necessary to derive the number of children
8 participating in the program who meet the program eligibility
9 criteria under subsection (5) (b), ~~subject to subsection (27),~~ the
10 number of eligible children not participating in the program and on
11 a waitlist, and the total number of children participating in the
12 program by various demographic groups and eligibility factors
13 necessary to analyze equitable and priority access to services for
14 the purposes of subsection (3).

15 (17) As used in this section:

16 (a) "GSRP/Head Start blended program" ~~, except as otherwise~~
17 ~~provided in this section,~~ means a part-day program funded under
18 this section and a Head Start program, which are combined for a
19 school-day program.

20 (b) "Federal poverty guidelines" means the guidelines
21 published annually in the Federal Register by the United States
22 Department of Health and Human Services under its authority to
23 revise the poverty line under 42 USC 9902.

24 (c) "Part-day program" ~~, except as otherwise provided in this~~
25 ~~section,~~ means a program that operates at least 4 days per week, 30
26 weeks per year, for at least 3 hours of teacher-child contact time
27 per day but for fewer hours of teacher-child contact time per day
28 than a school-day program.

29 (d) "School-day program" ~~, except as otherwise provided in~~

~~this section,~~ means a program that operates for at least the same length of day as a district's first grade program for a minimum of 4 days per week, 30 weeks per year. A classroom that offers a school-day program must enroll all children for the school day to be considered a school-day program.

(18) An intermediate district or consortium of intermediate districts receiving funds under this section shall establish and charge tuition according to a sliding scale of tuition rates based upon household income for children participating in an eligible great start readiness program who live with families with a household income that is more than 250% ~~, but, for 2020-2021 only,~~ ~~who live with families with a household income that is more than~~ 400% of the federal poverty guidelines to be used by all of its providers, as approved by the department.

(19) From the amount allocated in subsection (2), there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed \$10,000,000.00 for reimbursement of transportation costs for children attending great start readiness programs funded under this section. To receive reimbursement under this subsection, not later than November 1 of each year, a program funded under this section that provides transportation shall submit to the intermediate 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

1 shall prorate the reimbursement in an equal amount per child
2 funded. The department shall make payments to the intermediate
3 district that is the fiscal agent for each program, and the
4 intermediate district shall then reimburse the program provider for
5 transportation costs as prescribed under this subsection.

6 (20) Subject to, and from the funds allocated under,
7 subsection (19), the department shall reimburse a program for
8 transportation costs related to parent- or guardian-accompanied
9 transportation provided by transportation service companies, buses,
10 or other public transportation services. To be eligible for
11 reimbursement under this subsection, a program must submit to the
12 intermediate district or consortia of intermediate districts all of
13 the following:

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

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

20 (c) Any other documentation or information determined
21 necessary by the department.

22 (21) The department shall implement a process to review and
23 approve age-appropriate comprehensive classroom level quality
24 assessments for GSRP grantees that support the early childhood
25 standards of quality for prekindergarten children adopted by the
26 state board. The department shall make available to intermediate
27 districts at least 2 classroom level quality assessments that were
28 approved in 2018.

29 (22) An intermediate district that is a GSRP grantee may

1 approve the use of a supplemental curriculum that aligns with and
2 enhances the age-appropriate educational curriculum in the
3 classroom. If the department objects to the use of a supplemental
4 curriculum approved by an intermediate district, the superintendent
5 shall establish a review committee independent of the department.
6 The review committee shall meet within 60 days of the department
7 registering its objection in writing and provide a final
8 determination on the validity of the objection within 60 days of
9 the review committee's first meeting.

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

14 (24) From the funds allocated under subsection (1), there is
15 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
16 \$2,000,000.00 for payments to intermediate districts or consortia
17 of intermediate districts for professional development and training
18 materials for educators in programs implementing new curricula **or**
19 **child assessment tools approved for use in the great start**
20 **readiness program.**

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

25 ~~(26) For the 2020-2021 program year only, the hours, days, and~~
26 ~~weeks specified within the definitions under subsection (17) (a),~~
27 ~~(c), and (d) do not apply to all grantees and subrecipients under~~
28 ~~this section. However, for the 2020-2021 fiscal year only, grantees~~
29 ~~and subrecipients shall, at a minimum, provide pandemic learning~~

~~1 and programming on-site, at a different location, in person,
2 online, digitally, by other remote means, in a synchronous or
3 asynchronous format, or through any combination therein that
4 results in an amount of hours, days, and weeks necessary to deliver
5 the educational or course content that would have been delivered in
6 a year in which pandemic learning was not provided and that
7 complies with requirements developed by the department. The
8 department shall publish uniform guidance concerning requirements
9 under this subsection for age-appropriate instruction that is
10 provided online, digitally, or by other remote means as part of
11 pandemic learning and programming provided under this subsection.
12 As used in this subsection, "pandemic learning" means a mode of
13 instruction provided as a result of the COVID-19 pandemic.~~

~~14 (27) For the 2020-2021 program year only, household income
15 eligibility thresholds requiring household incomes that are equal
16 to or less than 250% of the federal poverty guidelines under
17 subsections (5) (b) and (11) do not apply for all grantees and
18 subrecipients under this section. However, for the 2020-2021
19 program year, all grantees and subrecipients must continue to
20 enroll children in the quintile with the lowest household income
21 first before enrolling the next quintile and must implement the
22 ranking process described in subsection (11) by first enrolling
23 children from households with incomes that are equal to or less
24 than 250% of the federal poverty guidelines, then enrolling
25 children from households with incomes that are equal to an amount
26 that is greater than 250% but less than or equal to 300% of the
27 federal poverty guidelines, then enrolling children from households
28 with incomes equal to an amount that is greater than 300% but less
29 than or equal to 350% of the federal poverty guidelines, and then~~

~~continuing enrollment in an order increasing in percentage from a percentage greater than 350% in relation to the federal poverty guidelines until all available slots are filled.~~

~~(28) For the 2020-2021 program year only, intermediate districts will be awarded funding based on the total allocation under subsection (1) and the funding must be allocated to intermediate districts as prescribed under section 39. To receive funding as described in this subsection, an intermediate district must complete the department's process for accepting funds and implement its existing local process for funding current subrecipients under this section, including, but not limited to, adding any necessary new subrecipients and implementation of the program. Intermediate districts described in this subsection must report the children served under this section to the center for data tracking purposes. The data described in this subsection must not be used to determine funding for the 2020-2021 program year or hold harmless funding levels for 2021-2022. Hold harmless funding for 2021-2022 must be determined based on the 2019-2020 final allocations under this section. Both of the following apply for the 2020-2021 program year:~~

~~(a) An intermediate district and its subrecipients under this section must conform to typical expenditures related to the operation of great start readiness programs to ensure the stability of the programs, including, but not limited to, ongoing program and staff costs.~~

~~(b) Funding remaining after serving all eligible children, in accordance with subsections (5) (b) and (11), subject to subsection (27), or remaining from other program savings due to pandemic learning must be used for the betterment of the program under this~~

~~section and must be approved by the department. Intermediate districts and subrecipients under this section may only spend in accordance with the provisions of this subdivision if the intermediate district or subrecipient has demonstrated to the satisfaction of the department that no eligible children are on waitlists for the programs operated by the intermediate district or subrecipients under this section.~~

Sec. 32p. (1) From the ~~appropriation~~ **state school aid fund money appropriated** in section 11, there is allocated an amount not to exceed \$13,400,000.00 to intermediate districts for ~~2020-2021~~ **2021-2022** for the purpose of providing early childhood funding to intermediate districts to support the goals and outcomes under subsection (2) and subsection (4), and to provide early childhood programs for children from birth through age 8. The funding provided to each intermediate district under this section is determined by the distribution formula established by the department's office of great start to provide equitable funding statewide. In order to receive funding under this section, each intermediate district must provide an application to the office of great start not later than September 15 of the immediately preceding fiscal year indicating the strategies planned to be provided.

(2) Each intermediate district or consortium of intermediate districts that receives funding under this section shall convene a local great start collaborative and a parent coalition. The goal of each great start collaborative and parent coalition is to ensure the coordination and expansion of local early childhood infrastructure and programs that allow every child in the community to achieve the following outcomes:

1 (a) Children born healthy.

2 (b) Children healthy, thriving, and developmentally on track
3 from birth to ~~third~~-grade 3.

4 (c) Children developmentally ready to succeed in school at the
5 time of school entry.

6 (d) Children prepared to succeed in fourth grade and beyond by
7 reading proficiently by the end of third grade.

8 (3) Each local great start collaborative and parent coalition
9 shall convene workgroups to make recommendations about community
10 services designed to achieve the outcomes described in subsection
11 (2) and to ensure that its local great start system includes the
12 following supports for children from birth through age 8:

13 (a) Physical health.

14 (b) Social-emotional health.

15 (c) Family supports and basic needs.

16 (d) Parent education.

17 (e) Early education, including the child's development of
18 skills linked to success in foundational literacy, and care.

19 (4) From the funds allocated in subsection (1), at least
20 \$2,500,000.00 must be used for the purpose of providing home visits
21 to at-risk children and their families. The home visits must be
22 conducted as part of a locally coordinated, family-centered,
23 evidence-based, data-driven home visit strategic plan that is
24 approved by the department. The goals of the home visits funded
25 under this subsection are to improve school readiness using
26 evidence-based methods, including a focus on developmentally
27 appropriate outcomes for early literacy, to improve positive
28 parenting practices, and to improve family economic self-
29 sufficiency while reducing the impact of high-risk factors through

1 community resources and referrals. The department shall coordinate
2 the goals of the home visit strategic plans approved under this
3 subsection with other state agency home visit programs in a way
4 that strengthens Michigan's home visiting infrastructure and
5 maximizes federal funds available for the purposes of at-risk
6 family home visits. The coordination among departments and agencies
7 is intended to avoid duplication of state services and spending,
8 and should emphasize efficient service delivery of home visiting
9 programs.

10 (5) Not later than December 1 of each year, each intermediate
11 district shall provide a report to the department detailing the
12 strategies actually implemented during the immediately preceding
13 school year and the families and children actually served. At a
14 minimum, the report must include an evaluation of the services
15 provided with additional funding under subsection (4) for home
16 visits, using the goals identified in subsection (4) as the basis
17 for the evaluation, including the degree to which school readiness
18 was improved, the degree to which positive parenting practices were
19 improved, the degree to which there was improved family economic
20 self-sufficiency, and the degree to which community resources and
21 referrals were utilized. The department shall compile and summarize
22 these reports and submit its summary to the house and senate
23 appropriations subcommittees on school aid and to the house and
24 senate fiscal agencies not later than February 15 of each year.

25 (6) An intermediate district or consortium of intermediate
26 districts that receives funding under this section may carry over
27 any unexpended funds received under this section into the next
28 fiscal year and may expend those unused funds through June 30 of
29 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 ~~2020-2021-2021-~~ **2022** shall not carry over into the next fiscal year any amount exceeding ~~30%-~~ **20%** of the amount awarded to the intermediate district or consortium in the ~~2020-2021-~~ **2021-2022** fiscal year. It is intended that the amount carried over from funding awarded for the purposes described in subsection (2) ~~in fiscal year 2021-2022~~ not exceed 20% of the amount awarded in that fiscal year and 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. 35a. (1) From the appropriations in section 11, there is allocated for ~~2020-2021-~~ **2021-2022** for the purposes of this section an amount not to exceed ~~\$55,400,000.00-~~ **\$57,400,000.00** from the state school aid fund and there is allocated for ~~2020-2021-~~ **2021-** **2022** for the purposes of subsection (8) an amount not to exceed ~~\$2,773,000.00-~~ **\$3,500,000.00** from the general fund. ~~The~~ **Excluding staff or contracted employees funded under subsection (8), the** superintendent shall designate staff or contracted employees funded under this section as critical shortage. Programs funded under this section are intended to ensure that this state will be a top 10 state in grade 4 reading proficiency by 2025 according to the National Assessment of Educational Progress (NAEP).

~~(2) A district that receives funds under subsection (5) may spend up to 5% of those funds for professional development for~~

~~educators in a department-approved research-based training program related to current state literacy standards for pupils in grades pre-K to 3. The professional development must also include training in the use of screening and diagnostic tools, progress monitoring, and intervention methods used to address barriers to learning and delays in learning that are diagnosed through the use of these tools.~~

(2) ~~(3)~~ A district that receives funds under subsection (5) may use up to 5% of those funds to administer department-approved screening and diagnostic tools to monitor the development of early literacy and early reading skills, **and risk factors for word-level reading difficulties** of pupils in grades pre-K to 3 and to support ~~research-based evidence-based professional development learning described in subsection (9)~~ for educators in administering **and using** screening, **progress monitoring**, and diagnostic ~~tools and in assessment~~ data interpretation of the results obtained through the ~~use of those tools for the purpose of implementing a multi-tiered system of support to improve reading proficiency among pupils in grades pre-K to 3.~~ **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. ~~—reading rate, accuracy, and expression.~~

(d) Comprehension - making meaning of text.

(3) ~~(4)~~ From the allocation under subsection (1), there is allocated an amount not to exceed \$31,500,000.00 for ~~2020-2021~~ **2021-2022** for the purpose of providing early literacy coaches at intermediate districts to **develop early literacy coaching capacity in districts and schools. The early literacy coaches must support district-identified staff such as teacher leaders who must provide peer-to-peer literacy coaching supports to assist pre-K to grade 3** 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.~~ **implementing professional learning described in subsection (9).** 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~~ **current** state literacy standards for pupils in grades pre-K to 3 ~~—~~

~~(ii) Implementing an instructional delivery model based on frequent use of formative, screening, and diagnostic tools, known as a multi-tiered system of support, to determine individual progress for pupils in grades pre-K to 3 so that pupils are reading at grade level by the end of grade 3.~~

~~(iii) The use of data from diagnostic tools to determine the necessary additional supports and interventions needed by individual pupils in grades pre-K to 3 in order to be reading at grade level.~~ **and the information described in subsection (9).**

1 (b) From the allocation under this subsection, the department
2 shall award grants to intermediate districts for the support of
3 early literacy coaches. The department shall provide this funding
4 in the following manner:

5 (i) The department shall award each intermediate district grant
6 funding to support the cost of 1 early literacy coach in an equal
7 amount per early literacy coach, not to exceed \$112,500.00.

8 (ii) After distribution of the grant funding under subparagraph
9 (i), the department shall distribute the remainder of grant funding
10 for additional early literacy coaches in an amount not to exceed
11 \$112,500.00 per early literacy coach. The number of funded early
12 literacy coaches for each intermediate district is based on the
13 percentage of the total statewide number of pupils in grades K to 3
14 who meet the income eligibility standards for the federal free and
15 reduced-price lunch programs who are enrolled in districts in the
16 intermediate district.

17 (c) If an intermediate district that receives funding under
18 this subsection uses an assessment tool that screens for ~~signs~~
19 **characteristics** of dyslexia, the intermediate district shall use
20 the assessment results from that assessment tool to identify pupils
21 who demonstrate ~~signs~~**characteristics** of dyslexia.

22 **(4) From the allocation under subsection (1), there is**
23 **allocated an amount not to exceed \$10,000,000.00 for 2021-2022 to**
24 **districts to provide professional learning described in subsection**
25 **(9), first to educators in pre-K, kindergarten, and grade 1 and**
26 **then to educators in grade 2 and grade 3. All of the following**
27 **apply to funding under this subsection:**

28 (a) In order to be eligible to receive funding under this
29 subsection, a district must do both of the following:

(i) Demonstrate to the satisfaction of the department that the district has used an approved professional learning provider for teachers to access training described in subsection (9).

(ii) Comply with the requirements under section 1280f of the revised school code, MCL 380.1280f.

(b) The department shall distribute funding allocated under this subsection to eligible districts on an equal per-first-grade-pupil basis.

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

(5) From the allocation under subsection (1), there is allocated an amount not to exceed ~~\$19,900,000.00~~ **\$9,900,000.00** for ~~2020-2021-2021-2022~~ to districts that provide additional instructional time to those pupils in grades pre-K to 3 ~~, or, for 2020-2021 only, those pupils in grades pre-K to 12,~~ 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. ~~, or, for 2020-2021 only, reading at the applicable grade level.~~ 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 ~~shall~~ **must** demonstrate to the satisfaction of the department that the district has done all of the following:

(i) Implemented a multi-tiered system of support instructional

1 delivery model that is an evidence-based model that uses data-
2 driven problem solving to integrate academic and behavioral
3 instruction and that uses intervention delivered to all pupils in
4 varying intensities based on pupil needs. The multi-tiered system
5 of supports must provide at least all of the following essential
6 components:

7 (A) Team-based leadership.

8 (B) A tiered delivery system.

9 (C) Selection and implementation of instruction,
10 interventions, and supports.

11 (D) A comprehensive screening and assessment system.

12 (E) Continuous data-based decision making.

13 (ii) Used department-approved ~~research-based~~ **evidence-based**
14 **screening and** diagnostic tools to identify individual pupils in
15 need of additional instructional time.

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

20 (iv) Provided teachers of pupils in grades pre-K to 3 with
21 ~~research-based~~ **evidence-based** professional development in **screening**
22 **and** diagnostic data interpretation.

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

25 (b) The department shall distribute funding allocated under
26 this subsection to eligible districts on an equal per-first-grade-
27 pupil basis.

28 (c) If the funds allocated under this subsection are
29 insufficient to fully fund the payments under this subsection,

1 payments under this subsection are prorated on an equal per-pupil
2 basis based on grade 1 pupils.

3 (6) Not later than September 1 of each year, a district that
4 receives funding under subsection **(4) or** (5) in conjunction with
5 the Michigan student data system, if possible, shall provide to the
6 department a report that includes at least both of the following,
7 in a form and manner prescribed by the department:

8 (a) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~
9 ~~applicable,~~ the **teachers**, pupils, schools, and grades served with
10 funds under this section and the categories of services provided.

11 (b) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~
12 ~~applicable,~~ pupil proficiency and growth data that allows analysis
13 both in the aggregate and by each of the following subgroups, as
14 applicable:

15 (i) School.

16 (ii) Grade level.

17 (iii) Gender.

18 (iv) Race.

19 (v) Ethnicity.

20 (vi) Economically disadvantaged status.

21 (vii) Disability.

22 (viii) Pupils identified as having reading deficiencies.

23 (7) From the allocation under subsection (1), there is
24 allocated an amount not to exceed ~~\$4,000,000.00~~ **\$6,000,000.00** for
25 ~~2020-2021~~ **2021-2022** to an intermediate district in which the
26 combined total number of pupils in membership of all of its
27 constituent districts is the fewest among all intermediate
28 districts. All of the following apply to the funding under this
29 subsection:

(a) ~~Funding~~ **Except as otherwise provided in this subsection, funding** under this subsection must be used by the intermediate district, in partnership with an association that represents intermediate district administrators in this state, to implement all of the following:

(i) ~~Literacy essentials teacher and principal training modules.~~ **The development of literacy peer-to-peer coaching capacity in districts and schools.**

(ii) ~~Face-to-face and online professional learning of literacy essentials teacher and principal training modules for literacy coaches, principals, and teachers.~~ **Support the individuals identified at schools or districts learning to be effective peer-to-peer coaches to implement the professional learning described in subsection (9).**

(iii) The placement of regional lead literacy coaches to facilitate professional learning for **intermediate district** early literacy coaches. These regional lead literacy coaches shall provide support for new **intermediate district** literacy coaches. ~~building teachers, and administrators and shall facilitate regional data collection to evaluate the effectiveness of statewide literacy coaches funded under this section.~~

(iv) Provide \$500,000.00 from this subsection for **pre-K and K to 3** literacy training, modeling, coaching, and feedback for district principals or chief administrators, as applicable. ~~The training described in this subparagraph must use the pre-K and K to 3 essential instructional practices in literacy created by the general education leadership network as the framework for all training provided under this subparagraph.~~

(b) Not later than September 1 of each year, the intermediate

1 district described in this subsection, in consultation with grant
2 recipients, shall submit a report to the chairs of the senate and
3 house appropriations subcommittees on ~~state~~ school aid, the chairs
4 of the senate and house standing committees responsible for
5 education legislation, the house and senate fiscal agencies, and
6 the state budget director. The report described under this
7 subdivision must include ~~student achievement results in English~~
8 ~~language arts and survey results with feedback from parents and~~
9 ~~teachers regarding the initiatives implemented under this~~
10 ~~subsection.~~ **all of the following:**

11 **(i) The percentage of schools within a region supported by an**
12 **intermediate district that receive services from an early literacy**
13 **coach. The intermediate district early literacy coach also may be**
14 **identified as the district or school coach for purposes of this**
15 **subparagraph.**

16 **(ii) The pre-K to grade 3 teacher-to-coach ratio. The report**
17 **must provide for a recommendation as to whether the number of**
18 **district or school early peer-to-peer literacy coaches supporting**
19 **pre-K to grade 3 teachers can be scaled across the state based on**
20 **the information described in the immediately preceding sentence.**

21 **(iii) The coaching skills taught to the district- or school-**
22 **identified early peer-to-peer literacy coaches who support teachers**
23 **and administrators in literacy.**

24 **(iv) Data indicating the effectiveness of professional learning**
25 **provided to literacy coaches and the impact on student outcomes.**

26 **(c) Up to 2% of funds allocated under this subsection may be**
27 **used by the association representing intermediate district**
28 **administrators that is in partnership with the intermediate**
29 **district specified in this subsection to administer this**

1 subsection.

2 **(d) The intermediate district receiving funds allocated under**
3 **this subsection must use \$2,000,000.00 of those funds for math**
4 **essentials teacher and principal training modules. Funding under**
5 **this subdivision must be used for professional learning for**
6 **coaches, professional developers, administrators, and teachers;**
7 **coaching for early mathematics educators; the development of**
8 **statewide and regional professional learning networks in**
9 **mathematics instructions; and the development and support of**
10 **digital professional learning modules.**

11 (8) From the general fund money allocated in subsection (1),
12 the department shall allocate the amount of ~~\$2,773,000.00~~
13 **\$3,500,000.00** for ~~2020-2021~~**2021-2022** to the Michigan Education
14 Corps for the PreK Reading Corps, the K3 Reading Corps, and the
15 Math Corps. All of the following apply to funding under this
16 subsection:

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

28 (i) The current impact of the programs on this state in terms
29 of numbers of children and schools receiving support. This portion

1 of the report must specify the number of children tutored,
2 including dosage and completion, and the demographics of those
3 children.

4 (ii) Whether the **evidence-based** assessments and interventions
5 are implemented with fidelity. This portion of the report must
6 include details on the total number of assessments and
7 interventions completed and the range, mean, and standard
8 deviation.

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

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

14 (B) Average linear growth rates.

15 (C) Exit rates.

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

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

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

25 (c) The department may not reserve any portion of the
26 allocation provided under this subsection for an evaluation of the
27 Michigan Education Corps, the Michigan Education Corps' funding, or
28 the Michigan Education Corps' programming unless agreed to in
29 writing by the Michigan Education Corps. The department shall award

1 the entire ~~\$2,773,000.00~~ **\$3,500,000.00** allocated under this
2 subsection to the Michigan Education Corps and shall not condition
3 the awarding of this funding on the implementation of an
4 independent evaluation.

5 ~~(9) If a district or intermediate district expends any funding~~
6 ~~received under subsection (4) or (5) for professional development~~
7 ~~in research-based effective reading instruction, the district or~~
8 ~~intermediate district shall select a professional development~~
9 ~~program from the list described under subdivision (a). All of the~~
10 ~~following apply to the requirement under this subsection:~~

11 ~~(a) The department shall issue a request for proposals for~~
12 ~~professional development programs in research-based effective~~
13 ~~reading instruction to develop an initial approved list of~~
14 ~~professional development programs in research-based effective~~
15 ~~reading instruction. The department shall make the initial approved~~
16 ~~list public and shall determine if it will, on a rolling basis,~~
17 ~~approve any new proposals submitted for addition to its initial~~
18 ~~approved list.~~

19 ~~(b) To be included as an approved professional development~~
20 ~~program in research-based effective reading instruction under~~
21 ~~subdivision (a), an applicant must demonstrate to the department in~~
22 ~~writing the program's competency in all of the following topics:~~

23 ~~(i) Understanding of phonemic awareness, phonics, fluency,~~
24 ~~vocabulary, and comprehension.~~

25 ~~(ii) Appropriate use of assessments and differentiated~~
26 ~~instruction.~~

27 ~~(iii) Selection of appropriate instructional materials.~~

28 ~~(iv) Application of research-based instructional practices.~~

29 ~~(c) As used in this subsection, "effective reading~~

1 ~~instruction" means reading instruction scientifically proven to~~
2 ~~result in improvement in pupil reading skills.~~ The department shall
3 provide a list of 1 or more approved providers of professional
4 learning outlined in this subsection for pre-K to grade 3 teachers,
5 administrators, and early literacy coaches. In order to be
6 approved, a provider of professional learning must meet all of the
7 following:

8 (a) Be offered through a system of training that provides
9 educators with the knowledge base to effectively implement any
10 class-wide, supplemental, or intervention reading approach and to
11 determine why some students struggle with reading, writing,
12 spelling, and language.

13 (b) Provide training activities that direct educators to
14 implement effective reading and spelling instruction supported by
15 scientifically based research and foster a direct explicit
16 instructional sequence that uses techniques to support teachers'
17 independence in using their newly-learned skills with students in
18 the classroom.

19 (c) Include integrated components for educators and
20 administrators in pre-K to grade 3 with embedded evaluation or
21 assessment of knowledge. Evaluation or assessment of knowledge
22 under this subdivision must incorporate evaluations of learning
23 throughout each unit and include a summative assessment that must
24 be completed to demonstrate successful course completion.

25 (d) Build teacher content knowledge and pedagogical knowledge
26 of the critical components of literacy including how the brain
27 learns to read, phonological and phonemic awareness; letter
28 knowledge; phonics; advanced phonics; vocabulary and oral language;
29 fluency; comprehension; spelling and writing; and the organization

1 of language.

2 (e) Support educators in understanding how to effectively use
3 screening, progress monitoring, and diagnostic assessment data to
4 improve literacy outcomes through prevention and intervention for
5 reading difficulties in a multi-tiered system of supports. The
6 multi-tiered system of supports must include at least all of the
7 following essential components:

8 (i) Team-based leadership.

9 (ii) A tiered delivery system.

10 (iii) Selection and implementation of instruction,
11 interventions, and supports.

12 (iv) A comprehensive screening and assessment system.

13 (v) Continuous data-based decision making.

14 (10) Notwithstanding section 17b, the department shall make
15 payments made under subsections (7) and (8) on a schedule
16 determined by the department.

17 (11) As used in this section:

18 (a) "Dyslexia" means both of the following:

19 (i) A specific learning disorder that is neurobiological in
20 origin and characterized by difficulties with accurate or fluent
21 word recognition and by poor spelling and decoding abilities that
22 typically result from a deficit in the phonological component of
23 language that is often unexpected in relation to other cognitive
24 abilities and the provision of effective classroom instruction.

25 (ii) A specific learning disorder that may include secondary
26 consequences, such as problems in reading comprehension and a
27 reduced reading experience that can impede the growth of vocabulary
28 and background knowledge and lead to social, emotional, and
29 behavioral difficulties.

1 (b) "Evidence-based" means an activity, program, process,
2 service, strategy, or intervention that demonstrates statistically
3 significant effects on improving pupil outcomes or other relevant
4 outcomes and that meets at least both of the following:

5 (i) At least 1 of the following:

6 (A) Is based on strong evidence from at least 1 well-designed
7 and well-implemented experimental study.

8 (B) Is based on moderate evidence from at least 1 well-
9 designed and well-implemented quasi-experimental study.

10 (C) Is based on promising evidence from at least 1 well-
11 designed and well-implemented correlational study with statistical
12 controls for selection bias.

13 (D) Demonstrates a rationale based on high-quality research
14 findings or positive evaluation that the activity, program,
15 process, service, strategy, or intervention is likely to improve
16 pupil outcomes or other relevant outcomes.

17 (ii) Includes ongoing efforts to examine the effects of the
18 activity, program, process, service, strategy, or intervention.

19 (c) "Explicit" means direct and deliberate instruction through
20 continuous pupil-teacher interaction that includes teacher
21 modeling, guided practice, and independent practice.

22 (d) "Fluency" means the ability to read with speed, accuracy,
23 and proper expression.

24 (e) "Multi-tiered system of supports" means a comprehensive
25 framework that includes 3 distinct tiers of instructional support
26 and is composed of a collection of evidence-based strategies
27 designed to meet the individual needs and assets of a whole pupil
28 at all achievement levels.

29 (f) "Phonemic awareness" means the conscious awareness of all

1 of the following:

2 (i) Individual speech sounds, including, but not limited to,
3 consonants and vowels, in spoken syllables.

4 (ii) The ability to consciously manipulate through, including,
5 but not limited to, matching, blending, segmenting, deleting, or
6 substituting, individual speech sounds described in subparagraph
7 (i).

8 (iii) All levels of the speech sound system, including, but not
9 limited to, word boundaries, rhyme recognition, stress patterns,
10 syllables, onset-rime units, and phonemes.

11 (g) "Phonological" means relating to the system of contrastive
12 relationships among the speech sounds that constitute the
13 fundamental components of a language.

14 (h) "Progress monitoring" means the assessing of students'
15 academic performance, quantifying students' rates of improvement or
16 progress toward goals, and determining how students are responding
17 to instruction.

18 (i) "Rapid automatized naming (RAN)" means a task that
19 measures how quickly individuals can name objects; pictures;
20 colors; or symbols, including letters and digits, aloud, which can
21 predict later reading abilities for preliterate children.

22 Sec. 35b. (1) From the general fund money appropriated in
23 section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount
24 not to exceed \$250,000.00 for a grant to be distributed by the
25 department to the Children's Choice Initiative for a program to use
26 a multisensory structured language education method to improve
27 reading proficiency rates and to comply with section 1280f of the
28 revised school code, MCL 380.1280f.

29 (2) Grant funds awarded under this section must be expended

1 for the following purposes:

2 (a) Professional development including training staff and
3 tutors in a multisensory, sequential, systematic education
4 approach.

5 (b) Additional instructional time before, during, or after
6 school for pupils in grades K to 3 identified as having an early
7 literacy delay or reading deficiency using a multisensory,
8 sequential, systematic education approach.

9 (3) Not later than December 1, 2021, an entity that receives
10 grant funds under this section shall report to the house and senate
11 appropriations subcommittees on school aid, the house and senate
12 fiscal agencies, and the state budget director on all of the
13 following for the grant funds awarded under this section:

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

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

17 (c) The number of hours of added instructional time provided
18 to pupils served.

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

21 Sec. 35d. (1) From the general fund money appropriated under
22 section 11, for ~~2020-2021~~, **2021-2022**, there is allocated an amount
23 not to exceed ~~\$500,000.00~~ **\$1,000,000.00** for the department to
24 provide grants to districts and intermediate districts for the
25 purchase of 1 or more components or trainings through an eligible
26 1-on-1 tutoring program for children with dyslexia from a provider
27 of an eligible 1-on-1 tutoring program for children with dyslexia
28 as provided under this section.

29 (2) A provider that provides programming that meets all of the

1 following is considered to be a provider of an eligible 1-on-1
2 tutoring program for purposes of this section:

3 (a) Allows teachers to incorporate the 5 components essential
4 to an effective reading program into their daily lessons. The 5
5 components described in this subdivision are phonemic awareness,
6 phonics, vocabulary, fluency, and comprehension.

7 (b) Trains educators to teach reading using a proven,
8 multisensory approach.

9 (c) Educates teachers on how to explicitly and effectively
10 teach reading to beginning readers.

11 (d) Breaks reading and spelling down into smaller skills
12 involving letters and sounds, and then builds on these skills over
13 time.

14 (e) Uses multisensory teaching strategies to teach reading by
15 using sight, hearing, touch, and movement to help students connect
16 and learn the concepts being taught.

17 (3) Districts and intermediate districts may apply to the
18 department for grants to purchase components or training through an
19 eligible 1-on-1 tutoring program from a provider of an eligible 1-
20 on-1 tutoring program, and, upon receiving an application but
21 except as otherwise provided in this subsection, the department
22 shall make payments to districts and intermediate districts for
23 those purchases. The department shall make payments under this
24 section on a first-come, first-served basis until funds are
25 depleted.

26 Sec. 35e. (1) From the general fund money appropriated under
27 section 11, there is allocated an amount not to exceed
28 \$1,000,000.00 for ~~2020-2021~~**2021-2022** for a grant to be distributed
29 by the department to an organization to provide early literacy and

1 academic support to at-need youth in this state.

2 (2) To qualify for a grant under this section, an organization
3 must be exempt from federal income tax under section 501(c)(3) of
4 the internal revenue code, 26 USC 501, and must be affiliated and
5 in good standing with a national congressionally chartered
6 organization's standards under 36 USC 20101 to 240112, and must
7 meet both of the following:

8 (a) Is facility-based and provides proven and tested
9 recreational, educational, and character building programs for
10 children ages 6 to 18.

11 (b) Provides after-school and summer programs in at least 25
12 communities statewide, with youth development services available at
13 least 20 hours per week during the school year and 30 hours per
14 week during summer programming.

15 (3) A grant recipient under this section shall administer an
16 early learning literacy program targeted at students in grades K-3.
17 At least 60% of the participants in the program must qualify for
18 free or reduced-priced lunch. Each entity receiving funds to
19 implement the program shall report to the department on the number
20 of children served, the types of services, and the outcome of those
21 services.

22 (4) Notwithstanding section 17b, the department shall make
23 grant payments under this section on a schedule determined by the
24 department.

25 Sec. 35f. From the general fund money appropriated in section
26 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to
27 exceed ~~\$500,000.00~~**\$700,000.00** for the department to award to the
28 Chaldean community foundation. The Chaldean community foundation
29 shall use funds received under this section to support and expand

1 early childhood learning opportunities, improve early literacy
2 achievement, increase high school graduation rates for new
3 Americans, and assist with diploma acquisition, skills training,
4 and postsecondary education.

5 Sec. 39. (1) An eligible applicant receiving funds under
6 section 32d shall submit an application, in a form and manner
7 prescribed by the department, by a date specified by the department
8 in the immediately preceding fiscal year. An eligible applicant is
9 not required to amend the applicant's current accounting cycle or
10 adopt this state's fiscal year accounting cycle in accounting for
11 financial transactions under this section. The application must
12 include all of the following:

13 (a) The estimated total number of children in the community
14 who meet the criteria of section 32d, as provided to the applicant
15 by the department utilizing the most recent population data
16 available from the American Community Survey conducted by the
17 United States Census Bureau. The department shall ensure that it
18 provides updated American Community Survey population data at least
19 once every 3 years.

20 (b) The estimated number of children in the community who meet
21 the criteria of section 32d and are being served exclusively by
22 Head Start programs operating in the community.

23 (c) The number of children whom the applicant has the capacity
24 to serve who meet the criteria of section 32d including a
25 verification of physical facility and staff resources capacity.

26 (2) After notification of funding allocations, an applicant
27 receiving funds under section 32d shall also submit an
28 implementation plan for approval, in a form and manner prescribed
29 by the department, by a date specified by the department, that

1 details how the applicant complies with the program components
2 established by the department pursuant to section 32d.

3 (3) The initial allocation to each eligible applicant under
4 section 32d is the lesser of the following:

5 (a) The sum of the number of children served in a school-day
6 program in the preceding school year multiplied by ~~\$7,250.00~~
7 **\$8,275.00** and the number of children served in a GSRP/Head Start
8 blended program or a part-day program in the preceding school year
9 multiplied by ~~\$3,625.00~~ **\$4,138.00**.

10 (b) The sum of the number of children the applicant has the
11 capacity to serve in the current school year in a school-day
12 program multiplied by ~~\$7,250.00~~ **\$8,275.00** and the number of
13 children served in a GSRP/Head Start blended program or a part-day
14 program the applicant has the capacity to serve in the current
15 school year multiplied by ~~\$3,625.00~~ **\$4,138.00**.

16 (4) If funds remain after the allocations under subsection
17 (3), the department shall distribute the remaining funds to each
18 intermediate district or consortium of intermediate districts that
19 serves less than the state percentage benchmark determined under
20 subsection (5). The department shall distribute these remaining
21 funds to each eligible applicant based upon each applicant's
22 proportionate share of the remaining unserved children necessary to
23 meet the statewide percentage benchmark in intermediate districts
24 or consortia of intermediate districts serving less than the
25 statewide percentage benchmark. When all applicants have been given
26 the opportunity to reach the statewide percentage benchmark, the
27 statewide percentage benchmark may be reset, as determined by the
28 department, until greater equity of opportunity to serve eligible
29 children across all intermediate school districts has been

1 achieved.

2 (5) For the purposes of subsection (4), the department shall
3 calculate a percentage of children served by each intermediate
4 district or consortium of intermediate districts by adding the
5 number of children served in the immediately preceding year by that
6 intermediate district or consortium with the number of eligible
7 children under section 32d served exclusively by head start, as
8 reported in a form and manner prescribed by the department, within
9 the intermediate district or consortia service area and dividing
10 that total by the total number of children within the intermediate
11 district or consortium of intermediate districts who meet the
12 criteria of section 32d as determined by the department utilizing
13 the most recent population data available from the American
14 Community Survey conducted by the United States Census Bureau. The
15 department shall compare the resulting percentage of eligible
16 children served to a statewide percentage benchmark to determine if
17 the intermediate district or consortium is eligible for additional
18 funds under subsection (4). The statewide percentage benchmark is
19 60%.

20 (6) If, taking into account the total amount to be allocated
21 to the applicant as calculated under this section, an applicant
22 determines that it is able to include additional eligible children
23 in the great start readiness program without additional funds under
24 section 32d, the applicant may include additional eligible children
25 but does not receive additional funding under section 32d for those
26 children.

27 (7) The department shall review the program components under
28 section 32d and under this section at least biennially. The
29 department also shall convene a committee of internal and external

1 stakeholders at least once every 5 years to ensure that the funding
 2 structure under this section reflects current system needs under
 3 section 32d.

4 **(8) For the 2020-2021 program year only, the number of**
 5 **children reported on the application described in subsection**
 6 **(1) (a), (b), and (c) must not be used by the department for the**
 7 **purpose of calculating hold harmless funding levels for 2021-2022.**
 8 **Hold harmless funding for 2021-2022 must be determined based on the**
 9 **2019-2020 final allocations calculated and paid under section 32d**
 10 **in 2019-2020.**

11 **(9) ~~(8)~~**As used in this section, "GSRP/Head Start blended
 12 program", "part-day program", and "school-day program" mean those
 13 terms as defined in section 32d. ~~as, for 2020-2021, impacted by~~
 14 ~~section 32d(26).~~

15 Sec. 39a. (1) From the federal funds appropriated in section
 16 11, there is allocated for 2020-2021 to districts, intermediate
 17 districts, and other eligible entities all available federal
 18 funding, estimated at ~~\$749,200,000.00~~ **\$750,300,000.00 and there is**
 19 **allocated for 2021-2022 to districts, intermediate districts, and**
 20 **other eligible entities all available federal funding, estimated at**
 21 **\$752,300,000.00**, for the federal programs under the no child left
 22 behind act of 2001, Public Law 107-110, or the every student
 23 succeeds act, Public Law 114-95. These funds are allocated as
 24 follows:

25 (a) An amount estimated at \$1,200,000.00 for 2020-2021 **and**
 26 **estimated at \$1,200,000.00 for 2021-2022** to provide students with
 27 drug- and violence-prevention programs and to implement strategies
 28 to improve school safety, funded from DED-OESE, drug-free schools
 29 and communities funds.

1 (b) An amount estimated at \$100,000,000.00 for 2020-2021 **and**
2 **estimated at \$100,000,000.00 for 2021-2022** for the purpose of
3 preparing, training, and recruiting high-quality teachers and class
4 size reduction, funded from DED-OESE, improving teacher quality
5 funds.

6 (c) An amount estimated at \$11,000,000.00 for 2020-2021 **and**
7 **estimated at \$13,000,000.00 for 2021-2022** for programs to teach
8 English to limited English proficient (LEP) children, funded from
9 DED-OESE, language acquisition state grant funds.

10 (d) An amount estimated at \$2,800,000.00 for 2020-2021 **and**
11 **estimated at \$2,800,000.00 for 2021-2022** for rural and ~~low-income~~
12 **low-income** schools, funded from DED-OESE, rural and low income
13 school funds.

14 (e) An amount estimated at \$535,000,000.00 for 2020-2021 **and**
15 **estimated at \$535,000,000.00 for 2021-2022** to provide supplemental
16 programs to enable educationally disadvantaged children to meet
17 challenging academic standards, funded from DED-OESE, title I,
18 disadvantaged children funds.

19 (f) An amount estimated at \$9,200,000.00 for 2020-2021 **and**
20 **estimated at \$9,200,000.00 for 2021-2022** for the purpose of
21 identifying and serving migrant children, funded from DED-OESE,
22 title I, migrant education funds.

23 (g) An amount estimated at \$39,000,000.00 for 2020-2021 **and**
24 **estimated at \$39,000,000.00 for 2021-2022** for the purpose of
25 providing high-quality extended learning opportunities, after
26 school and during the summer, for children in low-performing
27 schools, funded from DED-OESE, twenty-first century community
28 learning center funds.

29 (h) An amount estimated at \$14,000,000.00 for 2020-2021 **and**

1 **estimated at \$14,000,000.00 for 2021-2022** to help support local
 2 school improvement efforts, funded from DED-OESE, title I, local
 3 school improvement grants.

4 (i) An amount estimated at \$35,000,000.00 for 2020-2021 **and**
 5 **estimated at \$35,000,000.00 for 2021-2022** to improve the academic
 6 achievement of students, funded from DED-OESE, title IV, student
 7 support and academic enrichment grants.

8 (j) An amount estimated at \$3,100,000.00 for 2020-2021 **and**
 9 **estimated at \$3,100,000.00 for 2021-2022 for literacy programs that**
 10 **advance literacy skills for students from birth through grade 12,**
 11 **including, but not limited to, English-proficient students and**
 12 **students with disabilities, funded from DED-OESE, striving readers**
 13 **comprehensive literacy program.**

14 (2) From the federal funds appropriated in section 11, there
 15 is allocated to districts, intermediate districts, and other
 16 eligible entities all available federal funding, estimated at
 17 ~~\$55,000,000.00~~ **\$56,500,000.00** for 2020-2021 **and estimated at**
 18 **\$56,500,000.00 for 2021-2022** for the following programs that are
 19 funded by federal grants:

20 (a) An amount estimated at \$3,000,000.00 for 2020-2021 **and**
 21 **estimated at \$3,000,000.00 for 2021-2022** to provide services to
 22 homeless children and youth, funded from DED-OVAE, homeless
 23 children and youth funds.

24 (b) An amount estimated at \$24,000,000.00 for 2020-2021 **and**
 25 **estimated at \$24,000,000.00 for 2021-2022** for providing career and
 26 technical education services to pupils, funded from DED-OVAE, basic
 27 grants to states.

28 (c) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
 29 **estimated at \$14,000,000.00 for 2021-2022** for the Michigan charter

1 school subgrant program, funded from DED-OII, public charter
2 schools program funds.

3 (d) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
4 **estimated at \$14,000,000.00 for 2021-2022** for the purpose of
5 promoting and expanding high-quality preschool services, funded
6 from HHS-OCC, preschool development funds.

7 (e) **An amount estimated at \$1,500,000.00 for 2020-2021 and**
8 **estimated at \$1,500,000.00 for 2021-2022 for the purpose of**
9 **addressing priority substance abuse treatment, prevention, and**
10 **mental health needs, funded from HHS-SAMHSA.**

11 (3) The department shall distribute all federal funds
12 allocated under this section in accordance with federal law and
13 with flexibility provisions outlined in Public Law 107-116, and in
14 the education flexibility partnership act of 1999, Public Law 106-
15 25. Notwithstanding section 17b, the department shall make payments
16 of federal funds to districts, intermediate districts, and other
17 eligible entities under this section on a schedule determined by
18 the department.

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

24 (5) For the purposes of funding federal title I grants under
25 this article, in addition to any other federal grants for which the
26 strict discipline academy is eligible, the department shall
27 allocate to a strict discipline academy out of title I, part A an
28 amount equal to what the strict discipline academy would have
29 received if included and calculated under title I, part D, or what

1 it would receive under the formula allocation under title I, part
2 A, whichever is greater.

3 (6) As used in this section:

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

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

7 (c) "DED-OII" means the DED Office of Innovation and
8 Improvement.

9 (d) "DED-OVAE" means the DED Office of Vocational and Adult
10 Education.

11 (e) "HHS" means the United States Department of Health and
12 Human Services.

13 (f) "HHS-OCC" means the HHS Office of Child Care.

14 (g) **"HHS-SAMHSA" means the HHS Substance Abuse and Mental**
15 **Health Services Project.**

16 Sec. 41. (1) For a district to be eligible to receive funding
17 under this section, the district must administer to English
18 language learners the English language proficiency assessment known
19 as the "WIDA ACCESS for English language learners" or the "WIDA
20 Alternate ACCESS". From the ~~appropriation~~ **state school aid fund**
21 **money appropriated** in section 11, there is allocated an amount not
22 to exceed ~~\$13,000,000.00~~ **\$13,390,000.00** for ~~2020-2021~~ **2021-2022** for
23 payments to eligible districts for services for English language
24 learners who have been administered the WIDA ACCESS for English
25 language learners.

26 (2) The department shall distribute funding allocated under
27 subsection (1) to eligible districts based on the number of full-
28 time equivalent English language learners as follows:

29 (a) \$900.00 per full-time equivalent English language learner

1 who has been assessed under the WIDA ACCESS for English language
2 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
3 Alternate ACCESS composite score between 1.0 and 1.9, or less, as
4 applicable to each assessment.

5 (b) \$620.00 per full-time equivalent English language learner
6 who has been assessed under the WIDA ACCESS for English language
7 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
8 Alternate ACCESS composite score between 2.0 and 2.9, or less, as
9 applicable to each assessment.

10 (c) \$100.00 per full-time equivalent English language learner
11 who has been assessed under the WIDA ACCESS for English language
12 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
13 Alternate ACCESS composite score between 3.0 and 3.9, or less, as
14 applicable to each assessment.

15 (3) If funds allocated under subsection (1) are insufficient
16 to fully fund the payments as prescribed under subsection (2), the
17 department shall prorate payments on an equal percentage basis,
18 with the same percentage proration applied to all funding
19 categories.

20 (4) Each district receiving funds under subsection (1) shall
21 submit to the department by July 15 of each fiscal year a report,
22 not to exceed 10 pages, on the usage by the district of funds under
23 subsection (1) in a form and manner determined by the department,
24 including a brief description of each program conducted or services
25 performed by the district using funds under subsection (1) and the
26 amount of funds under subsection (1) allocated to each of those
27 programs or services. If a district does not comply with this
28 subsection, the department shall withhold an amount equal to the
29 August payment due under this section until the district complies

1 with this subsection. If the district does not comply with this
 2 subsection by the end of the fiscal year, the withheld funds are
 3 forfeited to the school aid fund.

4 (5) In order to receive funds under subsection (1), a district
 5 must allow access for the department or the department's designee
 6 to audit all records related to the program for which it receives
 7 those funds. The district shall reimburse this state for all
 8 disallowances found in the audit.

9 (6) Beginning July 1, 2020, and every 3 years thereafter, the
 10 department shall review the per-pupil distribution under subsection
 11 (2), to ensure that funding levels are appropriate and make
 12 recommendations for adjustments to the members of the senate and
 13 house subcommittees on K-12 school aid appropriations.

14 Sec. 51a. (1) From the ~~appropriation~~ **state school aid fund**
 15 **money** in section 11, there is allocated an amount not to exceed
 16 ~~\$1,023,996,100.00~~ **\$1,075,896,100.00** for ~~2019-2020~~ **2020-2021** and
 17 there is allocated an amount not to exceed ~~\$1,079,296,100.00~~
 18 **\$1,120,796,100.00** for ~~2020-2021~~ **2021-2022** from state sources and
 19 all available federal funding under sections ~~611-1411~~ to ~~619-1419~~
 20 of part B of the individuals with disabilities education act, 20
 21 USC 1411 to 1419, estimated at ~~\$370,000,000.00~~ **\$375,000,000.00** for
 22 ~~2019-2020~~ **2020-2021** and ~~\$375,000,000.00~~ **\$380,000,000.00** for ~~2020-~~
 23 ~~2021,~~ **2021-2022**, plus any carryover federal funds from previous
 24 year appropriations. The allocations under this subsection are for
 25 the purpose of reimbursing districts and intermediate districts for
 26 special education programs, services, and special education
 27 personnel as prescribed in article 3 of the revised school code,
 28 MCL 380.1701 to 380.1761; net tuition payments made by intermediate
 29 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 ~~\$286,900,000.00~~ **\$316,100,000.00** for ~~2019-2020-2020-2021~~ and estimated at ~~\$307,500,000.00~~ **\$329,900,000.00** for ~~2020-2021, 2021-2022~~, 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**

1 **district's per-pupil allocation under section 20m**, not to exceed
 2 the target foundation allowance for the current fiscal year, or,
 3 for a special education pupil in membership in a district that is a
 4 public school academy, times an amount equal to the amount per
 5 membership pupil calculated under section 20(6). For an
 6 intermediate district, the amount allocated under this subdivision
 7 toward fulfilling the specified percentages is an amount per
 8 special education membership pupil, excluding pupils described in
 9 subsection (11), and is calculated in the same manner as for a
 10 district, using the foundation allowance under section 20 of the
 11 pupil's district of residence, not to exceed the target foundation
 12 allowance for the current fiscal year, **and that district's per**
 13 **pupil allocation under section 20m.**

14 (b) After the allocations under subdivision (a), the
 15 department shall pay a district or intermediate district for which
 16 the payments calculated under subdivision (a) do not fulfill the
 17 specified percentages the amount necessary to achieve the specified
 18 percentages for the district or intermediate district.

19 (3) From the funds allocated under subsection (1), there is
 20 allocated for ~~2019-2020~~ **2020-2021** an amount not to exceed
 21 \$1,000,000.00 and there is allocated for ~~2020-2021~~ **2021-2022** an
 22 amount not to exceed \$1,000,000.00 to make payments to districts
 23 and intermediate districts under this subsection. If the amount
 24 allocated to a district or intermediate district for a fiscal year
 25 under subsection (2)(b) is less than the sum of the amounts
 26 allocated to the district or intermediate district for 1996-97
 27 under sections 52 and 58, there is allocated to the district or
 28 intermediate district for the fiscal year an amount equal to that
 29 difference, adjusted by applying the same proration factor that was

1 used in the distribution of funds under section 52 in 1996-97 as
2 adjusted to the district's or intermediate district's necessary
3 costs of special education used in calculations for the fiscal
4 year. This adjustment is to reflect reductions in special education
5 program operations or services between 1996-97 and subsequent
6 fiscal years. The department shall make adjustments for reductions
7 in special education program operations or services in a manner
8 determined by the department and shall include adjustments for
9 program or service shifts.

10 (4) If the department determines that the sum of the amounts
11 allocated for a fiscal year to a district or intermediate district
12 under subsection (2)(a) and (b) is not sufficient to fulfill the
13 specified percentages in subsection (2), then the department shall
14 pay the shortfall to the district or intermediate district during
15 the fiscal year beginning on the October 1 following the
16 determination and shall adjust payments under subsection (3) as
17 necessary. If the department determines that the sum of the amounts
18 allocated for a fiscal year to a district or intermediate district
19 under subsection (2)(a) and (b) exceeds the sum of the amount
20 necessary to fulfill the specified percentages in subsection (2),
21 then the department shall deduct the amount of the excess from the
22 district's or intermediate district's payments under this article
23 for the fiscal year beginning on the October 1 following the
24 determination and shall adjust payments under subsection (3) as
25 necessary. However, if the amount allocated under subsection (2)(a)
26 in itself exceeds the amount necessary to fulfill the specified
27 percentages in subsection (2), there is no deduction under this
28 subsection.

29 (5) State funds are allocated on a total approved cost basis.

1 Federal funds are allocated under applicable federal requirements.

2 (6) From the amount allocated in subsection (1), there is
3 allocated an amount not to exceed \$2,200,000.00 for ~~2019-2020-2020-~~
4 **2021** and there is allocated an amount not to exceed \$2,200,000.00
5 for ~~2020-2021-~~**2021-2022** to reimburse 100% of the net increase in
6 necessary costs incurred by a district or intermediate district in
7 implementing the revisions in the administrative rules for special
8 education that became effective on July 1, 1987. As used in this
9 subsection, "net increase in necessary costs" means the necessary
10 additional costs incurred solely because of new or revised
11 requirements in the administrative rules minus cost savings
12 permitted in implementing the revised rules. The department shall
13 determine net increase in necessary costs in a manner specified by
14 the department.

15 (7) For purposes of ~~sections 51a-~~**this section and sections 51b**
16 to 58, all of the following apply:

17 (a) "Total approved costs of special education" are determined
18 in a manner specified by the department and may include indirect
19 costs, but must not exceed 115% of approved direct costs for
20 section 52 and section 53a programs. The total approved costs
21 include salary and other compensation for all approved special
22 education personnel for the program, including payments for Social
23 Security and Medicare and public school employee retirement system
24 contributions. The total approved costs do not include salaries or
25 other compensation paid to administrative personnel who are not
26 special education personnel as that term is defined in section 6 of
27 the revised school code, MCL 380.6. Costs reimbursed by federal
28 funds, other than those federal funds included in the allocation
29 made under this article, are not included. Special education

1 approved personnel not utilized full time in the evaluation of
2 students or in the delivery of special education programs,
3 ancillary, and other related services are reimbursed under this
4 section only for that portion of time actually spent providing
5 these programs and services, with the exception of special
6 education programs and services provided to youth placed in child
7 caring institutions or juvenile detention programs approved by the
8 department to provide an on-grounds education program.

9 (b) Beginning with the 2004-2005 fiscal year, a district or
10 intermediate district that employed special education support
11 services staff to provide special education support services in
12 2003-2004 or in a subsequent fiscal year and that in a fiscal year
13 after 2003-2004 receives the same type of support services from
14 another district or intermediate district shall report the cost of
15 those support services for special education reimbursement purposes
16 under this article. This subdivision does not prohibit the transfer
17 of special education classroom teachers and special education
18 classroom aides if the pupils counted in membership associated with
19 those special education classroom teachers and special education
20 classroom aides are transferred and counted in membership in the
21 other district or intermediate district in conjunction with the
22 transfer of those teachers and aides.

23 (c) If the department determines before bookclosing for a
24 fiscal year that the amounts allocated for that fiscal year under
25 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
26 will exceed expenditures for that fiscal year under subsections
27 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a
28 district or intermediate district whose reimbursement for that
29 fiscal year would otherwise be affected by subdivision (b),

1 subdivision (b) does not apply to the calculation of the
2 reimbursement for that district or intermediate district and the
3 department shall calculate reimbursement for that district or
4 intermediate district in the same manner as it was for 2003-2004.
5 If the amount of the excess allocations under subsections (2), (3),
6 (6), and (11) and sections 53a, 54, and 56 is not sufficient to
7 fully fund the calculation of reimbursement to those districts and
8 intermediate districts under this subdivision, then the department
9 shall prorate calculations and resulting reimbursement under this
10 subdivision on an equal percentage basis. Beginning in 2015-2016,
11 the amount of reimbursement under this subdivision for a fiscal
12 year must not exceed \$2,000,000.00 for any district or intermediate
13 district.

14 (d) Reimbursement for ancillary and other related services, as
15 **that term is** defined by R 340.1701c of the Michigan Administrative
16 Code, is not provided when those services are covered by and
17 available through private group health insurance carriers or
18 federal reimbursed program sources unless the department and
19 district or intermediate district agree otherwise and that
20 agreement is approved by the state budget director. Expenses, other
21 than the incidental expense of filing, must not be borne by the
22 parent. In addition, the filing of claims must not delay the
23 education of a pupil. A district or intermediate district is
24 responsible for payment of a deductible amount and for an advance
25 payment required until the time a claim is paid.

26 (e) Beginning with calculations for 2004-2005, if an
27 intermediate district purchases a special education pupil
28 transportation service from a constituent district that was
29 previously purchased from a private entity; if the purchase from

1 the constituent district is at a lower cost, adjusted for changes
2 in fuel costs; and if the cost shift from the intermediate district
3 to the constituent does not result in any net change in the revenue
4 the constituent district receives from payments under sections 22b
5 and 51c, then upon application by the intermediate district, the
6 department shall direct the intermediate district to continue to
7 report the cost associated with the specific identified special
8 education pupil transportation service and shall adjust the costs
9 reported by the constituent district to remove the cost associated
10 with that specific service.

11 (8) A pupil who is enrolled in a full-time special education
12 program conducted or administered by an intermediate district or a
13 pupil who is enrolled in the Michigan Schools for the Deaf and
14 Blind is not included in the membership count of a district, but is
15 counted in membership in the intermediate district of residence.

16 (9) Special education personnel transferred from 1 district to
17 another to implement the revised school code are entitled to the
18 rights, benefits, and tenure to which the person would otherwise be
19 entitled had that person been employed by the receiving district
20 originally.

21 (10) If a district or intermediate district uses money
22 received under this section for a purpose other than the purpose or
23 purposes for which the money is allocated, the department may
24 require the district or intermediate district to refund the amount
25 of money received. The department shall deposit money that is
26 refunded in the state treasury to the credit of the state school
27 aid fund.

28 (11) From the funds allocated in subsection (1), there is
29 allocated the amount necessary, estimated at ~~\$3,100,000.00~~

1 **\$2,400,000.00** for ~~2019-2020~~ **2020-2021** and estimated at
2 ~~\$3,000,000.00~~ **\$2,500,000.00** for ~~2020-2021, 2021-2022~~, to pay the
3 foundation allowances for pupils described in this subsection. The
4 department shall calculate the allocation to a district under this
5 subsection by multiplying the number of pupils described in this
6 subsection who are counted in membership in the district times the
7 sum of the foundation allowance under section 20 of the pupil's
8 district of residence, **plus the amount of the district's per-pupil**
9 **allocation under section 20m**, not to exceed the target foundation
10 allowance for the current fiscal year, or, for a pupil described in
11 this subsection who is counted in membership in a district that is
12 a public school academy, times an amount equal to the amount per
13 membership pupil under section 20(6). The department shall
14 calculate the allocation to an intermediate district under this
15 subsection in the same manner as for a district, using the
16 foundation allowance under section 20 of the pupil's district of
17 residence not to exceed the target foundation allowance for the
18 current fiscal year **and that district's per-pupil allocation under**
19 **section 20m**. This subsection applies to all of the following
20 pupils:

21 (a) Pupils described in section 53a.

22 (b) Pupils counted in membership in an intermediate district
23 who are not special education pupils and are served by the
24 intermediate district in a juvenile detention or child caring
25 facility.

26 (c) Pupils with an emotional impairment counted in membership
27 by an intermediate district and provided educational services by
28 the department of health and human services.

29 (12) If it is determined that funds allocated under subsection

(2) or (11) or under section 51c will not be expended, funds up to the amount necessary and available may be used to supplement the allocations under subsection (2) or (11) or under section 51c in order to fully fund those allocations. After payments under subsections (2) and (11) and section 51c, the department shall expend the remaining funds from the allocation in subsection (1) in the following order:

(a) 100% of the reimbursement required under section 53a.

(b) 100% of the reimbursement required under subsection (6).

(c) 100% of the payment required under section 54.

(d) 100% of the payment required under subsection (3).

(e) 100% of the payments under section 56.

(13) The allocations under subsections (2), (3), and (11) are allocations to intermediate districts only and are not allocations to districts, but instead are calculations used only to determine the state payments under section 22b.

(14) If a public school academy that is not a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, enrolls under this section a pupil who resides outside of the intermediate district in which the public school academy is located and who is eligible for special education programs and services according to statute or rule, or who is a child with ~~disabilities,~~ **a disability**, as **that term is** defined under the individuals with disabilities education act, Public Law 108-446, the intermediate district in which the public school academy is located and the public school academy shall enter into a written agreement with the intermediate district in which the pupil resides for the purpose of providing the pupil with a free appropriate public education, and the written agreement must include at least

1 an agreement on the responsibility for the payment of the added
2 costs of special education programs and services for the pupil. If
3 the public school academy that enrolls the pupil does not enter
4 into an agreement under this subsection, the public school academy
5 shall not charge the pupil's resident intermediate district or the
6 intermediate district in which the public school academy is located
7 the added costs of special education programs and services for the
8 pupil, and the public school academy is not eligible for any
9 payouts based on the funding formula outlined in the resident or
10 nonresident intermediate district's plan. If a pupil is not
11 enrolled in a public school academy under this subsection, the
12 provision of special education programs and services and the
13 payment of the added costs of special education programs and
14 services for a pupil described in this subsection are the
15 responsibility of the district and intermediate district in which
16 the pupil resides.

17 (15) For the purpose of receiving its federal allocation under
18 part B of the individuals with disabilities education act, Public
19 Law 108-446, a public school academy that is a cyber school, as
20 that term is defined in section 551 of the revised school code, MCL
21 380.551, and is in compliance with section 553a of the revised
22 school code, MCL 380.553a, directly receives the federal allocation
23 under part B of the individuals with disabilities education act,
24 Public Law 108-446, from the intermediate district in which the
25 cyber school is located, as the subrecipient. If the intermediate
26 district does not distribute the funds described in this subsection
27 to the cyber school by the part B application due date of July 1,
28 the department may distribute the funds described in this
29 subsection directly to the cyber school according to the formula

1 prescribed in 34 CFR 300.705 and 34 CFR 300.816.

2 (16) For a public school academy that is a cyber school, as
 3 that term is defined in section 551 of the revised school code, MCL
 4 380.551, and is in compliance with section 553a of the revised
 5 school code, MCL 380.553a, that enrolls a pupil under this section,
 6 the intermediate district in which the cyber school is located
 7 shall ensure that the cyber school complies with sections 1701a,
 8 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,
 9 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,
 10 and 380.1757; applicable rules; and the individuals with
 11 disabilities education act, Public Law 108-446.

12 (17) For the purposes of this section, the department or the
 13 center shall only require a district or intermediate district to
 14 report information that is not already available from the financial
 15 information database maintained by the center.

16 Sec. 51c. As required by the court in the consolidated cases
 17 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the
 18 allocation under section 51a(1), there is allocated for ~~2019-2020~~
 19 **2020-2021** and for ~~2020-2021, 2021-2022~~, the amount necessary,
 20 estimated at ~~\$678,600,000.00~~ **\$702,000,000.00** for ~~2019-2020-2020-~~
 21 **2021** and ~~\$713,400,000.00~~ **\$733,000,000.00** for ~~2020-2021, 2021-2022~~,
 22 for payments to reimburse districts for 28.6138% of total approved
 23 costs of special education excluding costs reimbursed under section
 24 53a, and 70.4165% of total approved costs of special education
 25 transportation. Funds allocated under this section that are not
 26 expended in the fiscal year for which they were allocated, as
 27 determined by the department, may be used to supplement the
 28 allocations under sections 22a and 22b to fully fund those
 29 allocations for the same fiscal year. For each fund transfer as

described in the immediately preceding sentence that occurs, the state budget director shall send notification of the transfer to the house and senate appropriations subcommittees on state school aid and the house and senate fiscal agencies by not later than 14 calendar days after the transfer occurs.

Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated for ~~2020-2021~~**2021-2022** all available federal funding, estimated at \$71,000,000.00 for special education programs and services that are funded by federal grants. The department shall distribute all federal funds allocated under this section in accordance with federal law. 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 federal funds allocated under subsection (1), the following amounts are allocated for ~~2020-2021~~**2021-2022**:

(a) An amount estimated at \$14,000,000.00 for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

(b) An amount estimated at \$14,000,000.00 for preschool grants ~~(Public Law 94-142)~~, **under Public Law 94-142**, funded from DED-OSERS, handicapped preschool incentive funds.

(c) 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,

1 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
2 ~~\$60,207,000.00~~**\$61,407,000.00** for payments to districts and
3 intermediate districts to increase the level of reimbursement of
4 costs associated with providing special education services required
5 under state and federal law.

6 (2) A district's or intermediate district's allocation under
7 this section is equal to the level percentage multiplied by each
8 district's or intermediate district's costs reported to the center
9 on the special education actual cost report, known as "SE-4096" as
10 referred to under section 18(6), as approved by the department.

11 (3) The total reimbursement under this section and under
12 section 51c must not exceed the total reported costs for a district
13 or intermediate district.

14 (4) For ~~2020-2021~~**2021-2022**, the level percentage is
15 estimated at 2.0%.

16 (5) For the purposes of this section, "level percentage" means
17 the percentage calculated by dividing the allocation in subsection
18 (1) by the total of costs reported to the center on the special
19 education actual cost report, known as "SE-4096" as referred to
20 under section 18(6), as approved by the department.

21 **Sec. 51g. (1) From the state school aid fund money**
22 **appropriated under section 11, there is allocated for 2021-2022 an**
23 **amount not to exceed \$450,000.00 to an eligible intermediate**
24 **district as provided in this section. Funds awarded under this**
25 **section are for the eligible intermediate district to support**
26 **Project SEARCH, a program that provides high school students with**
27 **disabilities the opportunity to train, gain, and maintain**
28 **employment through businesses and organization opportunities across**
29 **the nation.**

1 (2) An intermediate district with a sum of pupils in
2 membership in its constituent districts that equals at least 40,000
3 but less than 50,000 and that is located in prosperity region 7 is
4 an eligible intermediate district under this section.

5 (3) The eligible intermediate district that receives funding
6 under this section shall ensure that the program provides at least
7 1 year of training and education through internships while students
8 are fully immersed in a large-host business, and that the program
9 prepares young adults with disabilities to enter the workforce with
10 marketable and transferable skills.

11 (4) The funds allocated under this section may be spent
12 through September 30, 2024.

13 (5) Notwithstanding section 17b, the department shall make
14 payments under this section not later than November 15, 2021.

15 Sec. 51h. (1) From the general fund money appropriated in
16 section 11, there is allocated for 2021-2022 an amount not to
17 exceed \$500,000.00 for the childhood resilience initiative program
18 operated by Kids Kicking Cancer to train educators to help children
19 address childhood trauma by empowering those children to transcend
20 adverse childhood experiences. The program funded under this
21 section shall use funds to expand training and supply Heroes Circle
22 tools and curriculum statewide.

23 (2) Notwithstanding section 17b, the department shall make
24 payments under this section by not later than November 15, 2021.

25 (3) The program that receives funding under this section shall
26 commit to expanding the program statewide and shall provide a
27 report to the senate and house appropriations subcommittees on
28 school aid not later than July 1, 2022 detailing the number of
29 districts and number of teachers that were provided training and

1 curriculum through the program, and children impacted by the
2 program.

3 Sec. 53a. (1) For districts, reimbursement for pupils
4 described in subsection (2) is 100% of the total approved costs of
5 operating special education programs and services approved by the
6 department and included in the intermediate district plan adopted
7 under article 3 of the revised school code, MCL 380.1701 to
8 380.1761, minus the district's foundation allowance calculated
9 under section 20 **and minus the district's per-pupil allocation**
10 **under section 20m.** For intermediate districts, the department shall
11 calculate reimbursement for pupils described in subsection (2) in
12 the same manner as for a district, using the foundation allowance
13 under section 20 of the pupil's district of residence, not to
14 exceed the target foundation allowance under section 20 for the
15 current fiscal year **plus the amount of the district's per pupil**
16 **allocation under section 20m.**

17 (2) Reimbursement under subsection (1) is for the following
18 special education pupils:

19 (a) Pupils assigned to a district or intermediate district
20 through the community placement program of the courts or a state
21 agency, if the pupil was a resident of another intermediate
22 district at the time the pupil came under the jurisdiction of the
23 court or a state agency.

24 (b) Pupils who are residents of institutions operated by the
25 department of health and human services.

26 (c) Pupils who are former residents of department of community
27 health institutions for the developmentally disabled who are placed
28 in community settings other than the pupil's home.

29 (d) Pupils enrolled in a department-approved on-grounds

1 educational program longer than 180 days, but not longer than 233
2 days, at a residential child care institution, if the child care
3 institution offered in 1991-92 an on-grounds educational program
4 longer than 180 days but not longer than 233 days.

5 (e) Pupils placed in a district by a parent for the purpose of
6 seeking a suitable home, if the parent does not reside in the same
7 intermediate district as the district in which the pupil is placed.

8 (3) Only those costs that are clearly and directly
9 attributable to educational programs for pupils described in
10 subsection (2), and that would not have been incurred if the pupils
11 were not being educated in a district or intermediate district, are
12 reimbursable under this section.

13 (4) The costs of transportation are funded under this section
14 and are not reimbursed under section 58.

15 (5) The department shall not allocate more than \$10,500,000.00
16 of the allocation for ~~2020-2021~~ **2021-2022** in section 51a(1) under
17 this section.

18 Sec. 54. Each intermediate district receives an amount per-
19 pupil for each pupil in attendance at the Michigan Schools for the
20 Deaf and Blind. The amount is proportionate to the total
21 instructional cost at each school. The department shall not
22 allocate more than \$1,688,000.00 of the allocation for ~~2020-2021~~
23 **2021-2022** in section 51a(1) under this section.

24 Sec. 54b. (1) From the general fund money appropriated in
25 section 11, there is allocated an amount not to exceed
26 \$1,600,000.00 for ~~2020-2021~~ **2021-2022** to continue the
27 implementation of the recommendations of the special education
28 reform task force published in January 2016.

29 (2) The department shall use funds allocated under this

1 section for the purpose of piloting statewide implementation of the
2 Michigan Integrated Behavior and Learning Support Initiative
3 (MiBLSI), a nationally recognized program that includes positive
4 behavioral intervention and supports and provides a statewide
5 structure to support local initiatives for an integrated behavior
6 and reading program. With the assistance of the intermediate
7 districts involved in MiBLSI, the department shall identify a
8 number of intermediate districts to participate in the pilot that
9 is sufficient to ensure that MiBLSI can be implemented statewide
10 with fidelity and sustainability. In addition, the department shall
11 identify an intermediate district to act as a fiscal agent for
12 these funds.

13 Sec. 54d. (1) From the ~~appropriations~~**state school aid fund**
14 **money appropriated** in section 11, there is allocated an amount not
15 to exceed \$7,150,000.00 for ~~2020-2021~~**2021-2022** to intermediate
16 districts for the purpose of providing state early on services
17 programs for children from birth to 3 years of age with a
18 developmental delay or a disability, or both, and their families,
19 as described in the early on Michigan state plan, as approved by
20 the department.

21 (2) To be eligible to receive grant funding under this
22 section, each intermediate district must apply in a form and manner
23 determined by the department.

24 (3) The grant funding allocated under this section must be
25 used to increase early on services and resources available to
26 children that demonstrate developmental delays to help prepare them
27 for success as they enter school. State early on services include
28 evaluating and providing early intervention services for eligible
29 infants and toddlers and their families to address developmental

1 delays, including those affecting physical, cognitive,
2 communication, adaptive, social, or emotional development. Grant
3 funds must not be used to supplant existing services that are
4 currently being provided.

5 (4) The department shall distribute the funds allocated under
6 subsection (1) to intermediate districts according to the
7 department's early on funding formula utilized to distribute the
8 federal award to Michigan under part C of the individuals with
9 disabilities education act, **Public Law 108-446**. Funds received
10 under this section must not supplant existing funds or resources
11 allocated for early on early intervention services. An intermediate
12 district receiving funds under this section shall maximize the
13 capture of Medicaid funds to support early on early intervention
14 services to the extent possible.

15 (5) Each intermediate district that receives funds under this
16 section shall report data and other information to the department
17 in a form, manner, and frequency prescribed by the department to
18 allow for monitoring and evaluation of the program and to ensure
19 that the children described in subsection (1) received appropriate
20 levels and types of services delivered by qualified personnel,
21 based on the individual needs of the children and their families.

22 (6) Notwithstanding section 17b, the department shall make
23 payments under this section on a schedule determined by the
24 department.

25 **(7) Grant funds awarded and allocated to an intermediate**
26 **district under this section must be expended by the grant recipient**
27 **before June 30 of the fiscal year immediately following the fiscal**
28 **year in which the funds were received.**

29 Sec. 55. (1) From the general fund money appropriated in

1 section 11, there is allocated an amount not to exceed \$250,000.00
 2 for ~~2020-2021~~**2021-2022** to the Conductive Learning Center located
 3 at Aquinas College. This funding must be used to support the
 4 operational costs of the conductive education model taught at the
 5 Conductive Learning Center to maximize the independence and
 6 mobility of children and adults with neuromotor disabilities. The
 7 conductive education model funded under this section must be based
 8 on the concept of neuroplasticity and the ability of people to
 9 learn and improve when they are motivated, regardless of the
 10 severity of their disability.

11 (2) Notwithstanding section 17b, the department shall
 12 distribute the funding allocated under this section to the
 13 Conductive Learning Center not later than December 1, ~~2020-2021~~.

14 Sec. 56. (1) For the purposes of this section:

15 (a) "Membership" means for a particular fiscal year the total
 16 membership ~~for the immediately preceding fiscal year of the~~
 17 intermediate district and the districts constituent to the
 18 intermediate district, **except that if a district has elected not to**
 19 **come under part 30 of the revised school code, MCL 380.1711 to**
 20 **380.1741, membership of the district is not included in the**
 21 **membership of the intermediate district.**

22 (b) "Millage levied" means the millage levied for special
 23 education under part 30 of the revised school code, MCL 380.1711 to
 24 380.1741, including a levy for debt service obligations.

25 (c) "Taxable value" means the total taxable value of the
 26 districts constituent to an intermediate district, except that if a
 27 district has elected not to come under part 30 of the revised
 28 school code, MCL 380.1711 to 380.1741, ~~membership and~~ taxable value
 29 of the district ~~are~~**is** not included in the ~~membership and~~ taxable

1 value of the intermediate district.

2 (2) From the allocation under section 51a(1), there is
 3 allocated ~~\$40,008,100.00 for 2019-2020~~ and an amount not to exceed
 4 \$40,008,100.00 for 2020-2021 **and an amount not to exceed**
 5 **\$40,008,100.00 for 2021-2022** to reimburse intermediate districts
 6 levying millages for special education under part 30 of the revised
 7 school code, MCL 380.1711 to 380.1741. The purpose, use, and
 8 expenditure of the reimbursement are limited as if the funds were
 9 generated by these millages and governed by the intermediate
 10 district plan adopted under article 3 of the revised school code,
 11 MCL 380.1701 to 380.1761. As a condition of receiving funds under
 12 this section, an intermediate district distributing any portion of
 13 special education millage funds to its constituent districts must
 14 submit for departmental approval and implement a distribution plan.

15 ~~(3) Except as otherwise provided in this subsection,~~
 16 ~~reimbursement for those millages levied in 2018-2019 is made in~~
 17 ~~2019-2020 at an amount per 2018-2019 membership pupil computed by~~
 18 ~~subtracting from \$201,700.00 the 2018-2019 taxable value behind~~
 19 ~~each membership pupil and multiplying the resulting difference by~~
 20 ~~the 2018-2019 millage levied, and then subtracting from that amount~~
 21 ~~the 2018-2019 local community stabilization share revenue for~~
 22 ~~special education purposes behind each membership pupil for~~
 23 ~~reimbursement of personal property exemption loss under the local~~
 24 ~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to~~
 25 ~~123.1362. Reimbursement in 2019-2020 for an intermediate district~~
 26 ~~whose 2017-2018 allocation was affected by the operation of~~
 27 ~~subsection (5) is an amount equal to 102.5% of the 2017-2018~~
 28 ~~allocation to that intermediate district.~~

29 (3) ~~(4)~~ Except as otherwise provided in this subsection,

1 reimbursement for those millages levied in 2019-2020 is made in
2 2020-2021 at an amount per 2019-2020 membership pupil computed by
3 subtracting from ~~\$209,000.00~~ **\$208,800.00** the 2019-2020 taxable
4 value behind each membership pupil and multiplying the resulting
5 difference by the 2019-2020 millage levied, and then subtracting
6 from that amount the 2019-2020 local community stabilization share
7 revenue for special education purposes behind each membership pupil
8 for reimbursement of personal property exemption loss under the
9 local community stabilization authority act, 2014 PA 86, MCL
10 123.1341 to 123.1362. Reimbursement in 2020-2021 for an
11 intermediate district whose 2017-2018 allocation was affected by
12 the operation of subsection (5) is an amount equal to 102.5% of the
13 2017-2018 allocation to that intermediate district.

14 **(4) Except as otherwise provided in this subsection,**
15 **reimbursement for those millages levied in 2020-2021 is made in**
16 **2021-2022 at an amount per 2020-2021 membership pupil computed by**
17 **subtracting from \$215,900.00 the 2020-2021 taxable value behind**
18 **each membership pupil and multiplying the resulting difference by**
19 **the 2020-2021 millage levied, and then subtracting from that amount**
20 **the 2020-2021 local community stabilization share revenue for**
21 **special education purposes behind each membership pupil for**
22 **reimbursement of personal property exemption loss under the local**
23 **community stabilization authority act, 2014 PA 86, MCL 123.1341 to**
24 **123.1362. Reimbursement in 2021-2022 for an intermediate district**
25 **whose 2017-2018 allocation was affected by the operation of**
26 **subsection (5) is an amount equal to 102.5% of the 2017-2018**
27 **allocation to that intermediate district.**

28 (5) The department shall ensure that the amount paid to a
29 single intermediate district under this section does not exceed

1 62.9% of the total amount allocated under subsection (2).

2 (6) The department shall ensure that the amount paid to a
3 single intermediate district under this section is not less than
4 75% of the amount allocated to the intermediate district under this
5 section for the immediately preceding fiscal year.

6 Sec. 61a. (1) From the state school aid fund money
7 appropriated in section 11, there is allocated an amount not to
8 exceed \$37,611,300.00 for ~~2020-2021~~**2021-2022** to reimburse on an
9 added cost basis districts, except for a district that served as
10 the fiscal agent for a vocational education consortium in the 1993-
11 94 school year and that has a foundation allowance as calculated
12 under section 20 greater than the minimum foundation allowance
13 under that section, and secondary area vocational-technical
14 education centers for secondary-level career and technical
15 education programs according to rules approved by the
16 superintendent. Applications for participation in the programs must
17 be submitted in the form prescribed by the department. The
18 department shall determine the added cost for each career and
19 technical education program area. The department shall prioritize
20 the allocation of added cost funds based on the capital and program
21 expenditures needed to operate the career and technical education
22 programs provided; the number of pupils enrolled; the advancement
23 of pupils through the instructional program; the existence of an
24 articulation agreement with at least 1 postsecondary institution
25 that provides pupils with opportunities to earn postsecondary
26 credit during the pupil's participation in the career and technical
27 education program and transfers those credits to the postsecondary
28 institution upon completion of the career and technical education
29 program; and the program rank in student placement, job openings,

1 and wages, and shall ensure that the allocation does not exceed 75%
2 of the added cost of any program. Notwithstanding any rule or
3 department determination to the contrary, when determining a
4 district's allocation or the formula for making allocations under
5 this section, the department shall include the participation of
6 pupils in grade 9 in all of those determinations and in all
7 portions of the formula. With the approval of the department, the
8 board of a district maintaining a secondary career and technical
9 education program may offer the program for the period from the
10 close of the school year until September 1. The program shall use
11 existing facilities and must be operated as prescribed by rules
12 promulgated by the superintendent.

13 (2) Except for a district that served as the fiscal agent for
14 a vocational education consortium in the 1993-94 school year, the
15 department shall reimburse districts and intermediate districts for
16 local career and technical education administration, shared time
17 career and technical education administration, and career education
18 planning district career and technical education administration.
19 The superintendent shall adopt guidelines for the definition of
20 what constitutes administration and shall make reimbursement
21 pursuant to those guidelines. The department shall not distribute
22 more than \$800,000.00 of the allocation in subsection (1) under
23 this subsection.

24 (3) A career and technical education program funded under this
25 section may provide an opportunity for participants who are
26 eligible to be funded under section 107 to enroll in the career and
27 technical education program funded under this section if the
28 participation does not occur during regular school hours.

29 **(4) In addition to the funds allocated under subsection (1),**

1 from the state school aid fund money appropriated under section 11,
 2 there is allocated for 2021-2022 an amount not to exceed
 3 \$500,000.00 to an eligible district as provided in this subsection.
 4 An eligible district receiving funds under this subsection shall
 5 only use those funds to support DRIVE One to upgrade its career and
 6 technical education facilities so that it can fully offer
 7 automotive performance technology programs to students. A district
 8 to which all of the following apply is an eligible district under
 9 this subsection:

10 (a) The district is located in a county with a population of
 11 at least 750,000 but less than 1,000,000.

12 (b) The district has at least 1,500 but less than 1,700 pupils
 13 in membership.

14 (c) The district partners with an organization that is exempt
 15 from federal income tax under section 501(c)(3) of the internal
 16 revenue code, 26 USC 501, that provides at-risk youth with
 17 vocational training in automotive technology, machining, welding,
 18 woodworking, and transportation design.

19 Sec. 61b. (1) From the funds appropriated under section 11,
 20 there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 21 \$8,000,000.00 from the state school aid fund appropriation for
 22 **state-approved** CTE early/middle college and CTE dual enrollment
 23 programs authorized under this section and for planning grants for
 24 the development or expansion of **state-approved** CTE ~~early/middle~~
 25 **early middle** college programs. The purpose of these programs is to
 26 increase the number of Michigan residents with high-quality degrees
 27 or credentials, and to increase the number of students who are
 28 college and career ready upon high school graduation.

29 (2) From the funds allocated under subsection (1), the

1 department shall allocate an amount as determined under this
2 subsection to each intermediate district serving as a fiscal agent
3 for state-approved CTE ~~early/middle~~**early middle** college and CTE
4 dual enrollment programs in each of the career education planning
5 districts identified by the department. An intermediate district
6 shall not use more than 5% of the funds allocated under this
7 subsection for administrative costs for serving as the fiscal
8 agent.

9 (3) To be an eligible fiscal agent, an intermediate district
10 must agree to do all of the following in a form and manner
11 determined by the department:

12 (a) Distribute funds to eligible CTE ~~early/middle~~**early middle**
13 college and CTE dual enrollment programs in a career education
14 planning district as described in this section.

15 (b) Collaborate with the career and educational advisory
16 council in the workforce development board service delivery area to
17 develop 1 regional strategic plan under subsection (4) that aligns
18 CTE programs and services into an efficient and effective delivery
19 system for high school students. The department will align career
20 education planning districts, workforce development board service
21 delivery areas, and intermediate districts for the purpose of
22 creating 1 regional strategic plan for each workforce development
23 board service delivery area.

24 (c) Implement a regional process to rank career clusters in
25 the workforce development board service delivery area as described
26 under subsection (4). Regional processes must be approved by the
27 department before the ranking of career clusters.

28 (d) Report CTE ~~early/middle~~**early middle** college and CTE dual
29 enrollment program and student data and information as prescribed

1 by the department and the center.

2 (e) The local education agency responsible for student
3 reporting in the Michigan student data system (MSDS) will report
4 the total number of college credits the student earned, at the time
5 of high school graduation, as determined by the department and the
6 center.

7 (f) The local education agency will report each award outcome
8 in the Michigan student data system (MSDS) that the CTE early
9 middle college student attained. For purposes of this subsection,
10 an on-track CTE early middle college graduate is a graduate who
11 obtained their high school diploma and at least 1 of the following:

12 (i) An associate's degree.

13 (ii) 60 transferrable college credits.

14 (iii) Professional certification.

15 (iv) A Michigan Early Middle College Association certificate.

16 (v) Participation in a registered apprenticeship.

17 (4) A regional strategic plan must be approved by the career
18 and educational advisory council before submission to the
19 department. A regional strategic plan must include, but is not
20 limited to, the following:

21 (a) An identification of regional employer need based on a
22 ranking of all career clusters in the workforce development board
23 service delivery area ranked by 10-year **projections of annual** job
24 openings projections and median wage for each standard occupational
25 code in each career cluster as obtained from the United States
26 Bureau of Labor Statistics. Standard occupational codes within
27 high-ranking clusters also may be further ranked by ~~median wage.~~
28 **annual job openings.** The career and educational advisory council
29 located in the workforce development board service delivery area

shall review the rankings and modify them if necessary to accurately reflect employer demand for talent in the workforce development board service delivery area. A career and educational advisory council shall document that it has conducted this review and certify that it is accurate. These career cluster rankings must be determined and updated once every 4 years.

(b) An identification of educational entities in the workforce development board service delivery area that will provide eligible CTE ~~early/middle~~ **early middle** college and CTE dual enrollment programs including districts, intermediate districts, postsecondary institutions, and noncredit occupational training programs leading to an industry-recognized credential.

(c) A strategy to inform parents and students of CTE ~~early/middle~~ **early middle** college and CTE dual enrollment programs in the workforce development board service delivery area.

(d) Any other requirements as defined by the department.

(5) An eligible CTE program is a program that **is state-approved and** meets all of the following:

(a) Has been identified in the highest 5 career cluster rankings in any of the 16 workforce development board service delivery area strategic plans jointly approved by the department of labor and economic opportunity and the department.

(b) Has a coherent sequence of courses that will allow a student to earn a high school diploma and achieve at least 1 of the ~~following~~ **outcomes defined in subsection (3)(f)** in a specific career cluster. ÷

~~(i) An associate degree.~~

~~(ii) An industry-recognized technical certification approved by the department of labor and economic opportunity.~~

1 ~~(iii) Up to 60 transferable college credits.~~

2 ~~(iv) Participation in a registered apprenticeship, pre-~~
3 ~~apprenticeship, or apprentice readiness program.~~

4 (c) Is aligned with the Michigan merit curriculum.

5 (d) Has ~~an articulation~~ **a college credit** agreement with at
6 least 1 postsecondary institution that provides students with
7 opportunities to receive postsecondary credits during the student's
8 participation in the CTE ~~early/middle~~ **early middle** college or CTE
9 dual enrollment program and transfers those credits to the
10 postsecondary institution upon completion of the CTE ~~early/middle~~
11 **early middle** college or CTE dual enrollment program.

12 (e) Provides instruction that is supervised, directed, or
13 coordinated by an appropriately certificated CTE teacher or, for
14 concurrent enrollment courses, a postsecondary faculty member.

15 (f) Provides for highly integrated student support services
16 that include at least the following:

17 (i) Teachers as academic advisors.

18 (ii) Supervised course selection.

19 (iii) Monitoring of student progress and completion.

20 (iv) Career planning services provided by a local one-stop
21 service center as described in the Michigan works one-stop service
22 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a
23 high school counselor or advisor.

24 (g) Has courses that are taught on a college campus, are
25 college courses offered at the high school and taught by college
26 faculty, or are courses taught in combination with online
27 instruction.

28 (6) The department shall distribute funds to eligible CTE
29 ~~early/middle~~ **early middle** college and CTE dual enrollment programs

1 as follows:

2 (a) The department shall determine statewide average CTE costs
3 per pupil for each CIP code program by calculating statewide
4 average costs for each CIP code program for the 3 most recent
5 fiscal years.

6 (b) The distribution to each eligible CTE ~~early/middle~~**early**
7 **middle** college or CTE dual enrollment program is the product of 50%
8 of CTE costs per pupil times the pupil enrollment of each eligible
9 CTE ~~early/middle~~**early middle** college or CTE dual enrollment
10 program in the immediately preceding school year.

11 (7) In order to receive funds under this section, a CTE
12 ~~early/middle~~**early middle** college or CTE dual enrollment program
13 shall furnish to the intermediate district that is the fiscal agent
14 identified in subsection (2), in a form and manner determined by
15 the department, all information needed to administer this program
16 and meet federal reporting requirements; shall allow the department
17 or the department's designee to review all records related to the
18 program for which it receives funds; and shall reimburse the state
19 for all disallowances found in the review, as determined by the
20 department.

21 (8) There is allocated for ~~2020-2021~~**2021-2022** from the funds
22 under subsection (1) an amount not to exceed \$500,000.00 from the
23 state school aid fund allocation for grants to intermediate
24 districts or consortia of intermediate districts for the purpose of
25 planning for new or expanded ~~early/middle~~**early middle** college
26 programs. Applications for grants must be submitted in a form and
27 manner determined by the department. The amount of a grant under
28 this subsection must not exceed \$50,000.00. To be eligible for a
29 grant under this subsection, an intermediate district or consortia

1 of intermediate districts must provide matching funds equal to the
 2 grant received under this subsection. Notwithstanding section 17b,
 3 the department shall make payments under this subsection in the
 4 manner determined by the department.

5 (9) Funds distributed under this section may be used to fund
 6 program expenditures that would otherwise be paid from foundation
 7 allowances. A program receiving funding under section 61a may
 8 receive funding under this section for allowable costs that exceed
 9 the reimbursement the program received under section 61a. The
 10 combined payments received by a program under section 61a and this
 11 section must not exceed the total allowable costs of the program. A
 12 program provider shall not use more than 5% of the funds allocated
 13 under this section to the program for administrative costs.

14 (10) If the allocation under subsection (1) is insufficient to
 15 fully fund payments as otherwise calculated under this section, the
 16 department shall prorate payments under this section on an equal
 17 percentage basis.

18 (11) If pupils enrolled in a career cluster in an eligible CTE
 19 ~~early/middle~~ **early middle** college or CTE dual enrollment program
 20 qualify to be reimbursed under this section, those pupils continue
 21 to qualify for reimbursement until graduation, even if the career
 22 cluster is no longer identified as being in the highest 5 career
 23 cluster rankings.

24 (12) As used in this section:

25 (a) "Allowable costs" means those costs directly attributable
 26 to the program as jointly determined by the department of labor and
 27 economic opportunity and the department.

28 (b) "Career and educational advisory council" means an
 29 advisory council to the local workforce development boards located

1 in a workforce development board service delivery area consisting
2 of educational, employer, labor, and parent representatives.

3 (c) "CIP" means classification of instructional programs.

4 (d) "CTE" means career and technical education programs.

5 (e) "CTE dual enrollment program" means a 4-year high school
6 program of postsecondary courses offered by eligible postsecondary
7 educational institutions that leads to an industry-recognized
8 certification or degree.

9 (f) "~~Early/middle~~ **Early middle** college program" means a 5-year
10 high school program.

11 (g) "Eligible postsecondary educational institution" means
12 that term as defined in section 3 of the career and technical
13 preparation act, 2000 PA 258, MCL 388.1903.

14 Sec. 61d. (1) From the appropriation in section 11, there is
15 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
16 \$5,000,000.00 from the state school aid fund for additional
17 payments to districts for career and technical education programs
18 for the purpose of increasing the number of Michigan residents with
19 high-quality degrees or credentials, and to increase the number of
20 pupils who are college- and career-ready upon high school
21 graduation.

22 (2) The department shall calculate payments to districts under
23 this section in the following manner:

24 (a) A payment of \$35.00 multiplied by the number of pupils in
25 grades 9 to 12 who are counted in membership in the district and
26 are enrolled in at least 1 career and technical education program.

27 (b) An additional payment of \$35.00 multiplied by the number
28 of pupils in grades 9 to 12 who are counted in membership in the
29 district and are enrolled in at least 1 career and technical

1 education program that provides instruction in critical skills and
2 high-demand career fields.

3 (3) If the allocation under subsection (1) is insufficient to
4 fully fund payments under subsection (2), the department shall
5 prorate payments under this section on an equal per-pupil basis.

6 (4) As used in this section:

7 (a) "Career and technical education program" means a state-
8 approved career and technical education program, as determined by
9 the department.

10 (b) "Career and technical education program that provides
11 instruction in critical skills and high-demand career field" means
12 a career and technical education program classified under any of
13 the following 2-digit classification of instructional programs
14 (CIP) codes:

15 (i) 01, which refers to "agriculture, agriculture operations,
16 and related sciences".

17 (ii) 03, which refers to "natural resources and conservation".

18 (iii) 10 through 11, which refers to "communications
19 technologies/technicians and support services" and "computer and
20 information sciences and support services".

21 (iv) 14 through 15, which refers to "engineering" and
22 "engineering technologies and engineering-related fields".

23 (v) 26, which refers to "biological and biomedical sciences".

24 (vi) 46 through 48, which refers to "construction trades",
25 "mechanic and repair technologies/technicians", and "precision
26 production".

27 (vii) 51, which refers to "health professions and related
28 programs".

29 **Sec. 61g. (1) From the state school aid fund money**

1 appropriated under section 11, there is allocated for 2021-2022
2 only an amount not to exceed \$2,449,800.00 to an intermediate
3 district in which the combined total number of pupils in membership
4 of all of its constituent districts is at least 6,500 but not more
5 than 7,500 and the intermediate district is located in prosperity
6 region 3.

7 (2) An intermediate district receiving funds under this
8 section shall use the funds to support its career and technical
9 education offerings. Funds must be used by the intermediate
10 district for building retrofitting, equipment purchases, and other
11 associated expenditures necessary to provide career and technical
12 education programming and services.

13 (3) As used in this section, "constituent district" means a
14 district, including a district that is a public school academy,
15 that is located within the geographic boundaries of an intermediate
16 district.

17 Sec. 62. (1) For the purposes of this section:

18 (a) "Membership" means for a particular fiscal year the total
19 membership ~~for the immediately preceding fiscal year of the~~
20 intermediate district and the districts constituent to the
21 intermediate district or the total membership ~~for the immediately~~
22 ~~preceding fiscal year of the area vocational-technical program,~~
23 except that if a district has elected not to come under sections
24 681 to 690 of the revised school code, MCL 380.681 to 380.690, the
25 membership of that district are not included in the membership of
26 the intermediate district. However, the membership of a district
27 that has elected not to come under sections 681 to 690 of the
28 revised school code, MCL 380.681 to 380.690, is included in the
29 membership of the intermediate district if the district meets both

1 of the following:

2 (i) The district operates the area vocational-technical
3 education program pursuant to a contract with the intermediate
4 district.

5 (ii) The district contributes an annual amount to the operation
6 of the program that is commensurate with the revenue that would
7 have been raised for operation of the program if millage were
8 levied in the district for the program under sections 681 to 690 of
9 the revised school code, MCL 380.681 to 380.690.

10 (b) "Millage levied" means the millage levied for area
11 vocational-technical education under sections 681 to 690 of the
12 revised school code, MCL 380.681 to 380.690, including a levy for
13 debt service obligations incurred as the result of borrowing for
14 capital outlay projects and in meeting capital projects fund
15 requirements of area vocational-technical education.

16 (c) "Taxable value" means the total taxable value of the
17 districts constituent to an intermediate district or area
18 vocational-technical education program, except that if a district
19 has elected not to come under sections 681 to 690 of the revised
20 school code, MCL 380.681 to 380.690, the ~~membership and~~ taxable
21 value of that district ~~are~~**is** not included in the ~~membership and~~
22 taxable value of the intermediate district. However, the ~~membership~~
23 ~~and~~ taxable value of a district that has elected not to come under
24 sections 681 to 690 of the revised school code, MCL 380.681 to
25 380.690, ~~are~~**is** included in the ~~membership and~~ taxable value of the
26 intermediate district if the district meets both of the following:

27 (i) The district operates the area vocational-technical
28 education program pursuant to a contract with the intermediate
29 district.

(ii) The district contributes an annual amount to the operation of the program that is commensurate with the revenue that would have been raised for operation of the program if millage were levied in the district for the program under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690.

(2) From the appropriation in section 11, there is allocated an amount not to exceed \$9,190,000.00 ~~each fiscal year for 2019-2020 and for 2020-2021~~ **2021-2022** to reimburse intermediate districts and area vocational-technical education programs established under section 690(3) of the revised school code, MCL 380.690, levying millages for area vocational-technical education under sections 681 to 690 of the revised school code, MCL 380.681 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 ~~2018-2019~~ **2019-2020** is made in ~~2019-2020~~ **2020-2021** at an amount per ~~2018-2019~~ **2019-2020** membership pupil computed by subtracting from ~~\$210,800.00~~ **\$218,700.00** the ~~2018-2019~~ **2019-2020** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2018-2019~~ **2019-2020** millage levied, and then subtracting from that amount the ~~2018-2019~~ **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.

(4) Reimbursement for those millages levied in ~~2019-2020~~ **2020-2021** is made in ~~2020-2021~~ **2021-2022** at an amount per ~~2019-2020~~ **2020-2021** membership pupil computed by subtracting from ~~\$218,800.00~~ **\$224,800.00** the ~~2019-2020~~ **2020-2021** taxable value behind each

1 membership pupil and multiplying the resulting difference by the
 2 ~~2019-2020-2020-2021~~ millage levied, and then subtracting from that
 3 amount the ~~2019-2020-2020-2021~~ local community stabilization share
 4 revenue for area vocational technical education behind each
 5 membership pupil for reimbursement of personal property exemption
 6 loss under the local community stabilization authority act, 2014 PA
 7 86, MCL 123.1341 to 123.1362.

8 (5) The department shall ensure that the amount paid to a
 9 single intermediate district under this section does not exceed
 10 38.4% of the total amount allocated under subsection (2).

11 (6) The department shall ensure that the amount paid to a
 12 single intermediate district under this section is not less than
 13 75% of the amount allocated to the intermediate district under this
 14 section for the immediately preceding fiscal year.

15 Sec. 65. (1) From the appropriation under section 11, there is
 16 allocated an amount not to exceed \$400,000.00 for ~~2020-2021-2021-~~
 17 **2022** for a pre-college engineering K-12 educational program that is
 18 focused on the development of a diverse future Michigan workforce,
 19 that serves multiple communities within southeast Michigan, that
 20 enrolls pupils from multiple districts, and that received funds
 21 appropriated for this purpose in the appropriations act that
 22 provided the Michigan strategic fund budget for 2014-2015.

23 (2) To be eligible for funding under this section, a program
 24 must have the ability to expose pupils to, and motivate and prepare
 25 pupils for, science, technology, engineering, and mathematics
 26 careers and postsecondary education with special attention given to
 27 groups of pupils who are at-risk and underrepresented in technical
 28 professions and careers.

29 Sec. 67. (1) From the general fund money appropriated in

1 section 11, there is allocated an amount not to exceed
2 \$3,000,000.00 for ~~2020-2021~~**2021-2022** for college access programs.
3 The programs funded under this section are intended to inform
4 students of college and career options and to provide resources
5 intended to increase the number of pupils who are adequately
6 prepared with the information needed to make informed decisions on
7 college and career. The funds appropriated under this section are
8 intended to be used to increase the number of Michigan residents
9 with high-quality degrees or credentials. Funds appropriated under
10 this section must not be used to supplant funding for counselors
11 already funded by districts.

12 (2) The department of labor and economic opportunity shall
13 administer funds allocated under this section in collaboration with
14 the Michigan college access network. These funds may be used for
15 any of the following purposes:

16 (a) Michigan college access network operations, programming,
17 and services to local college access networks.

18 (b) Local college access networks, which are community-based
19 college access/success partnerships committed to increasing the
20 college participation and completion rates within geographically
21 defined communities through a coordinated strategy.

22 (c) The Michigan college advising program, a program intended
23 to place trained, recently graduated college advisors in high
24 schools that serve significant numbers of low-income and first-
25 generation college-going pupils. State funds used for this purpose
26 may not exceed 33% of the total funds available under this
27 subsection.

28 (d) Subgrants of up to \$5,000.00 to districts with
29 comprehensive high schools that establish a college access team and

1 implement specific strategies to create a college-going culture in
 2 a high school in a form and manner approved by the Michigan college
 3 access network and the department of labor and economic
 4 opportunity.

5 (e) The Michigan college access portal, an online one-stop
 6 portal to help pupils and families plan and apply for college.

7 (f) Public awareness and outreach campaigns to encourage low-
 8 income and first-generation college-going pupils to take necessary
 9 steps toward college and to assist pupils and families in
 10 completing a timely and accurate free application for federal
 11 student aid.

12 (g) Subgrants to postsecondary institutions to recruit, hire,
 13 and train college student mentors and college advisors to assist
 14 high school pupils in navigating the postsecondary planning and
 15 enrollment process.

16 (3) For the purposes of this section, "college" means any
 17 postsecondary educational opportunity that leads to a career,
 18 including, but not limited to, a postsecondary degree, industry-
 19 recognized technical certification, or registered apprenticeship.

20 Sec. 67a. (1) From the general fund money appropriated under
 21 section 11, there is allocated an amount not to exceed \$50,000.00
 22 for ~~2020-2021~~**2021-2022** for a grant to be distributed by the
 23 department to an organization to provide industrial and
 24 technological education and workforce preparation for students and
 25 professional development opportunities and support for teachers.

26 (2) Notwithstanding section 17b, the department shall make
 27 grant payments under this section on a schedule determined by the
 28 department.

29 Sec. 74. (1) From the ~~amount appropriated~~**state school aid**

fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$3,814,500.00~~ **\$3,805,800.00** for ~~2020-2021~~ **2021-2022** for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** the amount necessary for payments to state supported colleges or universities and intermediate districts providing school bus driver safety instruction under section 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The department shall make payments in an amount determined by the department not to exceed the actual cost of instruction and driver compensation for each public or nonpublic school bus driver attending a course of instruction. For the purpose of computing compensation, the hourly rate allowed each school bus driver must not exceed the hourly rate received for driving a school bus. The department shall make reimbursement compensating the driver during the course of instruction to the college or university or intermediate district providing the course of instruction.

(3) From the allocation in subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** the amount necessary to pay the reasonable costs of nonspecial education auxiliary services transportation provided under section 1323 of the revised school code, MCL 380.1323. Districts funded under this subsection do not receive funding under any other section of this article for nonspecial education auxiliary services transportation.

(4) From the funds allocated in subsection (1), there is allocated an amount not to exceed ~~\$1,789,500.00~~ **\$1,780,800.00** for ~~2020-2021~~ **2021-2022** for reimbursement to districts and intermediate districts for costs associated with the inspection of school buses and pupil transportation vehicles by the department of state police

as required under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare a statement of costs attributable to each district for which bus inspections are provided and submit it to the department and to an intermediate district serving as fiduciary in a time and manner determined jointly by the department and the department of state police. Upon review and approval of the statement of cost, the department shall forward to the designated intermediate district serving as fiduciary the amount of the reimbursement on behalf of each district and intermediate district for costs detailed on the statement within 45 days after receipt of the statement. The designated intermediate district shall make payment in the amount specified on the statement to the department of state police within 45 days after receipt of the statement. The total reimbursement of costs under this subsection must not exceed the amount allocated under this subsection. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule prescribed by the department.

Sec. 78. From the state school aid fund money appropriated under section 11, there is allocated for 2021-2022 an amount not to exceed \$100.00 for reimbursements to districts for transportation costs.

Sec. 81. (1) From the ~~appropriation~~ state school aid fund money appropriated in section 11, there is allocated for 2020-2021 to the intermediate districts the sum necessary, but not to exceed \$69,138,000.00, and there is allocated for 2021-2022 to the intermediate districts the sum necessary, but not to exceed \$70,521,000.00 to provide state aid to intermediate districts under

1 this section.

2 (2) The amount allocated under this section **for 2020-2021** to
3 each intermediate district is an amount equal to 100% of the amount
4 allocated to the intermediate district under this section for 2019-
5 2020. **The amount allocated under this section for 2021-2022 to each**
6 **intermediate district is an amount equal to 102% of the amount**
7 **allocated to the intermediate district under this section for 2020-**
8 **2021.** An intermediate district shall use funding provided under
9 this section to comply with requirements of this article and the
10 revised school code that are applicable to intermediate districts,
11 and for which funding is not provided elsewhere in this article,
12 and to provide technical assistance to districts as authorized by
13 the intermediate school board.

14 (3) Intermediate districts receiving funds under this section
15 shall collaborate with the department to develop expanded
16 professional development opportunities for teachers to update and
17 expand their knowledge and skills needed to support the Michigan
18 merit curriculum.

19 (4) From the allocation in subsection (1), there is allocated
20 to an intermediate district, formed by the consolidation or
21 annexation of 2 or more intermediate districts or the attachment of
22 a total intermediate district to another intermediate district or
23 the annexation of all of the constituent K-12 districts of a
24 previously existing intermediate district which has disorganized,
25 an additional allotment of \$3,500.00 each fiscal year for each
26 intermediate district included in the new intermediate district for
27 3 years following consolidation, annexation, or attachment.

28 (5) In order to receive funding under this section, an
29 intermediate district shall do all of the following:

1 (a) Demonstrate to the satisfaction of the department that the
2 intermediate district employs at least 1 person who is trained in
3 pupil accounting and auditing procedures, rules, and regulations.

4 (b) Demonstrate to the satisfaction of the department that the
5 intermediate district employs at least 1 person who is trained in
6 rules, regulations, and district reporting procedures for the
7 individual-level student data that serves as the basis for the
8 calculation of the district and high school graduation and dropout
9 rates.

10 (c) Comply with sections 1278a and 1278b of the revised school
11 code, MCL 380.1278a and 380.1278b.

12 (d) Furnish data and other information required by state and
13 federal law to the center and the department in the form and manner
14 specified by the center or the department, as applicable.

15 (e) Comply with section 1230g of the revised school code, MCL
16 380.1230g.

17 (f) **Provide advice, guidance, and leadership to assist all**
18 **districts located within its geographic boundaries to assist in the**
19 **preparedness and response efforts toward addressing COVID-19. At a**
20 **minimum, this must include the coordination and collaboration with**
21 **any local public health agency that has jurisdiction within the**
22 **intermediate district's geographic boundaries and may include the**
23 **coordination of bulk purchasing of personal protective equipment,**
24 **technology, or other products or services necessary for students to**
25 **return to school. An intermediate district shall ensure that all**
26 **districts located within its geographic boundaries have equitable**
27 **access to the intermediate district's coordination activities and**
28 **services, intermediate district-wide or regional meetings,**
29 **regularly scheduled superintendent meetings, programming, events,**

1 or other coordination or collaboration activities. In ensuring that
2 all districts located within the geographic boundaries of the
3 intermediate district have equitable access to services, meetings,
4 programming, events, or activities as described in the immediately
5 preceding sentence, the intermediate district shall ensure that
6 districts that are public school academies that are located within
7 its geographic boundaries are not excluded from said services,
8 meetings, programming, events, or activities if districts that are
9 not public school academies that are located within the geographic
10 boundaries of the intermediate district are not excluded.

11 Sec. 94. (1) From the general fund money appropriated in
12 section 11, there is allocated to the department for ~~2020-2021~~
13 **2021-2022** an amount not to exceed \$1,200,000.00 for efforts to
14 increase the number of pupils who participate and succeed in
15 advanced placement and international baccalaureate programs, and to
16 support the college-level examination program (CLEP).

17 (2) From the funds allocated under this section, the
18 department shall award funds to cover all or part of the costs of
19 advanced placement test fees or international baccalaureate test
20 fees and international baccalaureate registration fees for low-
21 income pupils who take an advanced placement or an international
22 baccalaureate test and CLEP fees for low-income pupils who take a
23 CLEP test.

24 (3) The department shall only award funds under this section
25 if the department determines that all of the following criteria are
26 met:

27 (a) Each pupil for whom payment is made meets eligibility
28 requirements of the federal advanced placement test fee program
29 under section 1701 of the no child left behind act of 2001, Public

1 Law 107-110, or under a corresponding provision of the every
2 student succeeds act, Public Law 114-95.

3 (b) The tests are administered by the college board, the
4 international baccalaureate organization, or another test provider
5 approved by the department.

6 (c) The pupil for whom payment is made pays at least \$5.00
7 toward the cost of each test for which payment is made.

8 (4) The department shall establish procedures for awarding
9 funds under this section.

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

13 Sec. 94a. (1) There is created within the state budget office
14 in the department of technology, management, and budget the center
15 for educational performance and information. The center shall do
16 all of the following:

17 (a) Coordinate the collection of all data required by state
18 and federal law from districts, intermediate districts, and
19 postsecondary institutions.

20 (b) Create, maintain, and enhance this state's P-20
21 longitudinal data system and ensure that it meets the requirements
22 of subsection (4).

23 (c) Collect data in the most efficient manner possible in
24 order to reduce the administrative burden on reporting entities,
25 including, but not limited to, electronic transcript services.

26 (d) Create, maintain, and enhance this state's web-based
27 educational portal to provide information to school leaders,
28 teachers, researchers, and the public in compliance with all
29 federal and state privacy laws. Data must include, but are not

1 limited to, all of the following:

2 (i) Data sets that link teachers to student information,
3 allowing districts to assess individual teacher impact on student
4 performance and consider student growth factors in teacher and
5 principal evaluation systems.

6 (ii) Data access or, if practical, data sets, provided for
7 regional data hubs that, in combination with local data, can
8 improve teaching and learning in the classroom.

9 (iii) Research-ready data sets for researchers to perform
10 research that advances this state's educational performance.

11 (e) Provide data in a useful manner to allow state and local
12 policymakers to make informed policy decisions.

13 (f) Provide public reports to the residents of this state to
14 allow them to assess allocation of resources and the return on
15 their investment in the education system of this state.

16 (g) Other functions as assigned by the state budget director.

17 (2) Each state department, officer, or agency that collects
18 information from districts, intermediate districts, or
19 postsecondary institutions as required under state or federal law
20 shall make arrangements with the center to ensure that the state
21 department, officer, or agency is in compliance with subsection
22 (1). This subsection does not apply to information collected by the
23 department of treasury under the uniform budgeting and accounting
24 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal
25 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond
26 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to
27 388.1939; or section 1351a of the revised school code, MCL
28 380.1351a.

29 (3) The center may enter into any interlocal agreements

1 necessary to fulfill its functions.

2 (4) The center shall ensure that the P-20 longitudinal data
3 system required under subsection (1)(b) meets all of the following:

4 (a) Includes data at the individual student level from
5 preschool through postsecondary education and into the workforce.

6 (b) Supports interoperability by using standard data
7 structures, data formats, and data definitions to ensure linkage
8 and connectivity in a manner that facilitates the exchange of data
9 among agencies and institutions within the state and between
10 states.

11 (c) Enables the matching of individual teacher and student
12 records so that an individual student may be matched with those
13 teachers providing instruction to that student.

14 (d) Enables the matching of individual teachers with
15 information about their certification and the institutions that
16 prepared and recommended those teachers for state certification.

17 (e) Enables data to be easily generated for continuous
18 improvement and decision-making, including timely reporting to
19 parents, teachers, and school leaders on student achievement.

20 (f) Ensures the reasonable quality, validity, and reliability
21 of data contained in the system.

22 (g) Provides this state with the ability to meet federal and
23 state reporting requirements.

24 (h) For data elements related to preschool through grade 12
25 and postsecondary, meets all of the following:

26 (i) Contains a unique statewide student identifier that does
27 not permit a student to be individually identified by users of the
28 system, except as allowed by federal and state law.

29 (ii) Contains student-level enrollment, demographic, and

1 program participation information.

2 (iii) Contains student-level information about the points at
3 which students exit, transfer in, transfer out, drop out, or
4 complete education programs.

5 (iv) Has the capacity to communicate with higher education data
6 systems.

7 (i) For data elements related to preschool through grade 12
8 only, meets all of the following:

9 (i) Contains yearly test records of individual students for
10 assessments approved by DED-OESE for accountability purposes under
11 section 1111(b) of the elementary and secondary education act of
12 1965, 20 USC 6311, including information on individual students not
13 tested, by grade and subject.

14 (ii) Contains student-level transcript information, including
15 information on courses completed and grades earned.

16 (iii) Contains student-level college readiness test scores.

17 (j) For data elements related to postsecondary education only:

18 (i) Contains data that provide information regarding the extent
19 to which individual students transition successfully from secondary
20 school to postsecondary education, including, but not limited to,
21 all of the following:

22 (A) Enrollment in remedial coursework.

23 (B) Completion of 1 year's worth of college credit applicable
24 to a degree within 2 years of enrollment.

25 (ii) Contains data that provide other information determined
26 necessary to address alignment and adequate preparation for success
27 in postsecondary education.

28 (5) From the general fund money appropriated in section 11,
29 there is allocated an amount not to exceed ~~\$16,848,900.00~~

1 **\$18,802,500.00** for ~~2020-2021~~**-2021-2022** to the department of
2 technology, management, and budget to support the operations of the
3 center. In addition, from the federal funds appropriated in section
4 11, there is allocated for ~~2020-2021~~**-2021-2022** the amount
5 necessary, estimated at \$193,500.00, to support the operations of
6 the center and to establish a P-20 longitudinal data system
7 necessary for state and federal reporting purposes. The center
8 shall cooperate with the department to ensure that this state is in
9 compliance with federal law and is maximizing opportunities for
10 increased federal funding to improve education in this state.

11 (6) From the funds allocated in subsection (5), the center may
12 use an amount determined by the center for competitive grants for
13 ~~2020-2021~~**-2021-2022** to support collaborative efforts on the P-20
14 longitudinal data system. All of the following apply to grants
15 awarded under this subsection:

16 (a) The center shall award competitive grants to eligible
17 intermediate districts or a consortium of intermediate districts
18 based on criteria established by the center.

19 (b) Activities funded under the grant must support the P-20
20 longitudinal data system portal and may include portal hosting,
21 hardware and software acquisition, maintenance, enhancements, user
22 support and related materials, and professional learning tools and
23 activities aimed at improving the utility of the P-20 longitudinal
24 data system.

25 (c) An applicant that received a grant under this subsection
26 for the immediately preceding fiscal year has priority for funding
27 under this section. However, after 3 fiscal years of continuous
28 funding, an applicant is required to compete openly with new
29 applicants.

(7) Funds allocated under this section that are not expended in the fiscal year in which they were allocated may be carried forward to a subsequent fiscal year and are appropriated for the purposes for which the funds were originally allocated.

(8) The center may bill departments as necessary in order to fulfill reporting requirements of state and federal law. The center may also enter into agreements to supply custom data, analysis, and reporting to other principal executive departments, state agencies, local units of government, and other individuals and organizations. The center may receive and expend funds in addition to those authorized in subsection (5) to cover the costs associated with salaries, benefits, supplies, materials, and equipment necessary to provide such data, analysis, and reporting services.

(9) As used in this section, ÷

~~(a)~~ "DED-OESE" means the United States Department of Education Office of Elementary and Secondary Education.

~~(b)~~ "State education agency" means the department.

Sec. 94c. From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$100.00 for the Michigan Center for Education Research and Implementation for a partnership between government and nongovernmental organizations that will lead the replication and scaling of best practices in instruction, administration, and student support, beginning first with the recommendations of this state's COVID-19 student recovery advisory council, to enable this state to be among the fastest improving states in the nation in academic gains for all student groups, to close the achievement gap, and to prepare every student for success after high school.

Sec. 95b. (1) From the general fund money appropriated under

1 section 11, there is allocated an amount not to exceed
2 \$2,000,000.00 for **2021-2022 for** the model value-added growth and
3 projection analytics system. The department shall continue the
4 model value-added growth and projection analytics system and
5 incorporate that model into its reporting requirements under the
6 every student succeeds act, Public Law 114-95. ~~It is the intent of~~
7 ~~the legislature to fund the model under this section for 2021-2022~~
8 ~~only if at least 50% of districts that are not public school~~
9 ~~academies opt in to student-teacher linkages provided by the model~~
10 ~~value-added growth and projection analytics system and there is~~
11 ~~verification that the value-added reporting platform continued~~
12 ~~hosting and delivery of historical reporting as determined based on~~
13 ~~the report under subsection (5).~~ The model described in this
14 subsection must do at least all of the following:

15 (a) Utilize existing assessments and any future assessments
16 that are suitable for measuring student growth.

17 (b) Report student growth measures at the district, school,
18 teacher, and subgroup levels.

19 (c) Recognize the growth of tested students, including those
20 who may have missing assessment data.

21 (d) Include all available prior standardized assessment data
22 that meet inclusion criteria across grades, subjects, and state and
23 local assessments.

24 (e) Allow student growth results to be disaggregated.

25 (f) Provide individual student projections showing the
26 probability of a student reaching specific performance levels on
27 future assessments. Given school closures and extended
28 cancellations related to COVID-19, the data under this subdivision
29 may be used to inform decisions about student placement or students

1 that could benefit from additional supports or interventions.

2 (g) Demonstrate any prior success with this state's
3 assessments through the Michigan council of educator effectiveness
4 teacher evaluation pilot.

5 (h) Demonstrate prior statewide implementation in at least 2
6 other states for at least 10 years.

7 (i) Have a native roster verification system built into the
8 value-added reporting platform that has been implemented statewide
9 in at least 2 other states.

10 (j) Have a "help/contact us" ticketing system built into the
11 value-added reporting platform.

12 (k) Given school closures that have occurred pursuant to an
13 executive order issued by the governor, the value-added reporting
14 platform must provide continued hosting and delivery of reporting
15 and offer the department additional supports in the areas of
16 research, analysis, web reporting, and training.

17 (l) The department and the platform vendor shall provide
18 statewide training for educators to understand the reporting that
19 details the impact to student learning and growth.

20 (2) The department shall provide internet-based electronic
21 student growth and projection reporting based on the model under
22 subsection (1) to educators at the school, district, and state
23 levels. The model must include role-based permissions that allow
24 educators to access information about the performance of the
25 students within their immediate responsibility in accordance with
26 applicable privacy laws.

27 (3) The model under subsection (1) must not be a mandatory
28 part of teacher evaluation or educator pay-for-performance systems.

29 (4) The model under subsection (1) must be a model that

1 received funding under this section in 2018-2019.

2 (5) By March 31, ~~2021~~, **2022**, the department shall work with
3 the center to provide a report to the senate and house
4 appropriations subcommittees on ~~state~~-school aid and the senate and
5 house fiscal agencies regarding the number of districts that are
6 not public school academies that opted in to student-teacher
7 linkages in their use of the model value-added growth and
8 projection analytics system under this section. The report under
9 this subsection must also include verification that the value-added
10 reporting platform continued hosting and delivery of historical
11 reporting and specify any additional research and analysis offered
12 to the department.

13 **Sec. 97. (1) For 2021-2022, from the federal funding**
14 **appropriated under section 11, there is allocated an amount not to**
15 **exceed \$100.00 for competitive grants to public schools, nonpublic**
16 **schools, districts, and intermediate districts to purchase**
17 **technology equipment, upgrade hardening measures, or conduct school**
18 **building safety assessments to improve the safety and security of**
19 **school buildings, pupils or students, and school staff with the**
20 **goal of creating a safer school environment through equipment and**
21 **technology enhancements. The department of state police, grants and**
22 **community services division, shall administer the grant program**
23 **described in this subsection. All grants under this subsection must**
24 **be funded on a reimbursement-only basis. Grants under this**
25 **subsection must not exceed \$50.00 for each public school or**
26 **nonpublic school and \$50.00 for each district or intermediate**
27 **district.**

28 (2) All of the following apply to the application process for
29 funding under subsection (1):

1 (a) To receive funding under subsection (1), a public school,
2 nonpublic school, district, or intermediate district shall submit
3 an application for funding under subsection (1) directly to the
4 department of state police, grants and community services division.

5 (b) An application from a district or intermediate district
6 under this subsection must be for 1 or more buildings that have
7 some or all of pre-K to grade 12 classrooms and pupils.

8 (c) An applicant may submit only 1 application.

9 (d) An individual public school may submit its own application
10 but must not also be included in its district's application if the
11 district submits an application under this subsection.

12 (e) The department of state police shall award grants to
13 applicants based on eligibility, the project description, and
14 whether the project reflects the highest security need of the
15 applicant within grant funding constraints, the budget narrative,
16 the budget, project goals, objectives, and performance measures.

17 (f) The department of state police shall give priority to all
18 of the following applicants:

19 (i) Applicants seeking funding for projects that involve
20 multiple agencies working in partnership.

21 (ii) Applicants seeking funding for proposals that seek to
22 secure exterior access points of school buildings.

23 (iii) Applicants that did not receive a school safety grant in
24 the past.

25 (iv) Applicants that did not receive a grant under section 1001
26 of article XX of 2018 PA 207 or under section 115 of 2018 PA 618.

27 (g) To be awarded a grant, an applicant must demonstrate proof
28 that the public school, nonpublic school, district, or intermediate
29 district has an emergency operation plan that was updated after

1 August 1, 2017 to align with the state emergency operations plan
2 guidance and statewide school safety information policy developed
3 under section 1308 of the revised school code, MCL 380.1308.

4 (h) The department of state police shall issue grant guidance
5 and application materials, including required performance measures,
6 not later than February 1, 2022.

7 (3) The department of state police shall not award funding
8 under subsection (1) to a public school, nonpublic school,
9 district, or intermediate district in relation to the same school
10 building more than once. If a district submits an application under
11 subsection (2) relating to a school building and a public school
12 within that district also submits an application for funding in
13 relation to that same school building, the department of state
14 police shall not allocate funding under subsection (1) twice for
15 that school building. If a public school, nonpublic school,
16 district, or intermediate district submits more than 1 application,
17 the department of state police shall first consider the most recent
18 application submitted in considering funding under subsection (1).

19 (4) Eligible expenses for reimbursement under subsection (1)
20 must be consistent with the recommendations of the school safety
21 task force created by Executive Order No. 2018-5. The department of
22 state police shall list the eligible expenses in the grant guidance
23 and application materials described under subsection (2). The
24 following items are not eligible expenses for which grant funds
25 under subsection (1) may be applied:

26 (a) Weapons, including tasers.

27 (b) Personal body armor for routine use.

28 (c) Construction of new facilities.

29 (d) Costs in applying for the grant, such as consultants and

1 grant writers.

2 (e) Expenses incurred before the date of the award or after
3 the end of the performance period of the grant award.

4 (f) Personnel costs or operation costs related to a capital
5 improvement.

6 (g) Indirect costs or indirect administrative expenses.

7 (h) Travel.

8 (i) Contributions or donations.

9 (j) Management or administrative training and conferences,
10 except as otherwise preapproved by the department of state police.

11 (k) Management studies or research and development.

12 (l) Memberships and dues, except for a specific requirement of
13 the project that has been preapproved by the department of state
14 police.

15 (m) Vehicles, watercraft, or aircraft, including unmanned or
16 remotely piloted aircraft and vehicles.

17 (n) Service contracts and training beyond the performance
18 period of the grant award.

19 (o) Food, refreshments, and snacks.

20 (5) A grantee under section 1001 of article XX of 2018 PA 207
21 that is a public school, nonpublic school, district, or
22 intermediate district or a grantee under section 115 of 2018 PA 618
23 that is a public school, nonpublic school, district, or
24 intermediate district is not prohibited from applying for, and
25 receiving, a grant award under this section.

26 (6) The department of state police shall begin issuing awards
27 for grants under subsection (1) not later than May 1, 2022. A
28 project that is awarded a grant under this section must be
29 completed by July 1, 2023.

(7) The department of state police shall report on grant activities under this section, including available performance 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.

(8) The funds allocated for school safety grants under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 do not lapse to the state school aid fund or general fund and are carried forward into 2022-2023. 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.

Sec. 98. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$7,500,000.00~~ **\$8,447,000.00** for ~~2020-2021~~ **2021-2022** for the purposes described in this section. The Michigan Virtual University shall provide a report to the legislature not later than November 1 of each year that includes its mission, its plans, and proposed benchmarks it must meet, including a plan to achieve the organizational priorities identified in this section, in order to receive full funding for ~~2021-2022~~ **2022-2023**. Not later than March 1 of each year, the Michigan Virtual University shall provide an update to the house and senate appropriations subcommittees on school aid to show the progress being made to meet the benchmarks identified.

(2) The Michigan Virtual University shall operate the Michigan Virtual Learning Research Institute. The Michigan Virtual Learning Research Institute shall do all of the following:

1 (a) Support and accelerate innovation in education through the
2 following activities:

3 (i) Test, evaluate, and recommend as appropriate new
4 technology-based instructional tools and resources.

5 (ii) Research, design, and recommend virtual education delivery
6 models for use by pupils and teachers that include age-appropriate
7 multimedia instructional content.

8 (iii) Research, develop, and recommend annually to the
9 department criteria by which cyber schools and virtual course
10 providers should be monitored and evaluated to ensure a quality
11 education for their pupils.

12 (iv) Based on pupil completion and performance data reported to
13 the department or the center from cyber schools and other virtual
14 course providers operating in this state, analyze the effectiveness
15 of virtual learning delivery models in preparing pupils to be
16 college- and career-ready and publish a report that highlights
17 enrollment totals, completion rates, and the overall impact on
18 pupils. The Michigan Virtual Learning Research Institute shall
19 submit the report to the house and senate appropriations
20 subcommittees on ~~state~~-school aid, the state budget director, the
21 house and senate fiscal agencies, the department, districts, and
22 intermediate districts not later than March 31 of each year.

23 (v) Provide an extensive professional development program to
24 at least 30,000 educational personnel, including teachers, school
25 administrators, and school board members, that focuses on the
26 effective integration of virtual learning into curricula and
27 instruction. The Michigan Virtual Learning Research Institute is
28 encouraged to work with the MiSTEM ~~advisory council created under~~
29 **described in** section 99s to coordinate professional development of

1 teachers in applicable fields. In addition, the Michigan Virtual
2 Learning Research Institute and external stakeholders are
3 encouraged to coordinate with the department for professional
4 development in this state. Not later than December 1 of each year,
5 the Michigan Virtual Learning Research Institute shall submit a
6 report to the house and senate appropriations subcommittees on
7 ~~state~~-school aid, the state budget director, the house and senate
8 fiscal agencies, and the department on the number of teachers,
9 school administrators, and school board members who have received
10 professional development services from the Michigan Virtual
11 University. The report must also identify barriers and other
12 opportunities to encourage the adoption of virtual learning in the
13 public education system.

14 (vi) Identify and share best practices for planning,
15 implementing, and evaluating virtual and blended education delivery
16 models with intermediate districts, districts, and public school
17 academies to accelerate the adoption of innovative education
18 delivery models statewide.

19 (b) Provide leadership for this state's system of virtual
20 learning education by doing the following activities:

21 (i) Develop and report policy recommendations to the governor
22 and the legislature that accelerate the expansion of effective
23 virtual learning in this state's schools.

24 (ii) Provide a clearinghouse for research reports, academic
25 studies, evaluations, and other information related to virtual
26 learning.

27 (iii) Promote and distribute the most current instructional
28 design standards and guidelines for virtual teaching.

29 (iv) In collaboration with the department and interested

1 colleges and universities in this state, support implementation and
2 improvements related to effective virtual learning instruction.

3 (v) Pursue public/private partnerships that include districts
4 to study and implement competency-based technology-rich virtual
5 learning models.

6 (vi) Create a statewide network of school-based mentors serving
7 as liaisons between pupils, virtual instructors, parents, and
8 school staff, as provided by the department or the center, and
9 provide mentors with research-based training and technical
10 assistance designed to help more pupils be successful virtual
11 learners.

12 (vii) Convene focus groups and conduct annual surveys of
13 teachers, administrators, pupils, parents, and others to identify
14 barriers and opportunities related to virtual learning.

15 (viii) Produce an annual consumer awareness report for schools
16 and parents about effective virtual education providers and
17 education delivery models, performance data, cost structures, and
18 research trends.

19 (ix) Provide an internet-based platform that educators can use
20 to create student-centric learning tools and resources for sharing
21 in the state's open educational resource repository and facilitate
22 a user network that assists educators in using the content creation
23 platform and state repository for open educational resources. As
24 part of this initiative, the Michigan Virtual University shall work
25 collaboratively with districts and intermediate districts to
26 establish a plan to make available virtual resources that align to
27 Michigan's K-12 curriculum standards for use by students,
28 educators, and parents.

29 (x) Create and maintain a public statewide catalog of virtual

1 learning courses being offered by all public schools and community
2 colleges in this state. The Michigan Virtual Learning Research
3 Institute shall identify and develop a list of nationally
4 recognized best practices for virtual learning and use this list to
5 support reviews of virtual course vendors, courses, and
6 instructional practices. The Michigan Virtual Learning Research
7 Institute shall also provide a mechanism for intermediate districts
8 to use the identified best practices to review content offered by
9 constituent districts. The Michigan Virtual Learning Research
10 Institute shall review the virtual course offerings of the Michigan
11 Virtual University, and make the results from these reviews
12 available to the public as part of the statewide catalog. The
13 Michigan Virtual Learning Research Institute shall ensure that the
14 statewide catalog is made available to the public on the Michigan
15 Virtual University website and shall allow the ability to link it
16 to each district's website as provided for in section 21f. The
17 statewide catalog must also contain all of the following:

18 (A) The number of enrollments in each virtual course in the
19 immediately preceding school year.

20 (B) The number of enrollments that earned 60% or more of the
21 total course points for each virtual course in the immediately
22 preceding school year.

23 (C) The pass rate for each virtual course.

24 (xi) Support registration, payment services, and transcript
25 functionality for the statewide catalog and train key stakeholders
26 on how to use new features.

27 (xii) Collaborate with key stakeholders to examine district
28 level accountability and teacher effectiveness issues related to
29 virtual learning under section 21f and make findings and

1 recommendations publicly available.

2 (xiii) Provide a report on the activities of the Michigan
3 Virtual Learning Research Institute.

4 (3) To further enhance its expertise and leadership in virtual
5 learning, the Michigan Virtual University shall continue to operate
6 the Michigan Virtual School as a statewide laboratory and quality
7 model of instruction by implementing virtual and blended learning
8 solutions for Michigan schools in accordance with the following
9 parameters:

10 (a) The Michigan Virtual School must maintain its
11 accreditation status from recognized national and international
12 accrediting entities.

13 (b) The Michigan Virtual University shall use no more than
14 \$1,000,000.00 of the amount allocated under this section to
15 subsidize the cost paid by districts for virtual courses.

16 (c) In providing educators responsible for the teaching of
17 virtual courses as provided for in this section, the Michigan
18 Virtual School shall follow the requirements to request and assess,
19 and the department of state police shall provide, a criminal
20 history check and criminal records check under sections 1230 and
21 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
22 the same manner as if the Michigan Virtual School were a school
23 district under those sections.

24 (4) From the funds allocated under subsection (1), the
25 Michigan Virtual University shall allocate up to \$500,000.00 to
26 support the expansion of new online and blended educator
27 professional development programs.

28 (5) If the course offerings are included in the statewide
29 catalog of virtual courses under subsection (2)(b)(x), the Michigan

1 Virtual School operated by the Michigan Virtual University may
2 offer virtual course offerings, including, but not limited to, all
3 of the following:

4 (a) Information technology courses.

5 (b) College level equivalent courses, as **that term is** defined
6 in section 1471 of the revised school code, MCL 380.1471.

7 (c) Courses and dual enrollment opportunities.

8 (d) Programs and services for at-risk pupils.

9 (e) High school equivalency test preparation courses for
10 adjudicated youth.

11 (f) Special interest courses.

12 (g) Professional development programs for teachers, school
13 administrators, other school employees, and school board members.

14 (6) If a home-schooled or nonpublic school student is a
15 resident of a district that subscribes to services provided by the
16 Michigan Virtual School, the student may use the services provided
17 by the Michigan Virtual School to the district without charge to
18 the student beyond what is charged to a district pupil using the
19 same services.

20 (7) Not later than December 1 of each fiscal year, the
21 Michigan Virtual University shall provide a report to the house and
22 senate appropriations subcommittees on ~~state~~ school aid, the state
23 budget director, the house and senate fiscal agencies, and the
24 department that includes at least all of the following information
25 related to the Michigan Virtual School for the preceding state
26 fiscal year:

27 (a) A list of the districts served by the Michigan Virtual
28 School.

29 (b) A list of virtual course titles available to districts.

1 (c) The total number of virtual course enrollments and
2 information on registrations and completions by course.

3 (d) The overall course completion rate percentage.

4 (8) In addition to the information listed in subsection (7),
5 the report under subsection (7) must also include a plan to serve
6 at least 600 schools with courses from the Michigan Virtual School
7 or with content available through the internet-based platform
8 identified in subsection (2) (b) (ix).

9 (9) The governor may appoint an advisory group for the
10 Michigan Virtual Learning Research Institute established under
11 subsection (2). The members of the advisory group serve at the
12 pleasure of the governor and without compensation. The purpose of
13 the advisory group is to make recommendations to the governor, the
14 legislature, and the president and board of the Michigan Virtual
15 University that will accelerate innovation in this state's
16 education system in a manner that will prepare elementary and
17 secondary students to be career and college ready and that will
18 promote the goal of increasing the percentage of residents of this
19 state with high-quality degrees and credentials to at least 60% by
20 2025.

21 (10) Not later than November 1 of each year, the Michigan
22 Virtual University shall submit to the house and senate
23 appropriations subcommittees on ~~state~~-school aid, the state budget
24 director, and the house and senate fiscal agencies a detailed
25 budget for that fiscal year that includes a breakdown on its
26 projected costs to deliver virtual educational services to
27 districts and a summary of the anticipated fees to be paid by
28 districts for those services. Not later than March 1 each year, the
29 Michigan Virtual University shall submit to the house and senate

1 appropriations subcommittees on ~~state~~-school aid, the state budget
2 director, and the house and senate fiscal agencies a breakdown on
3 its actual costs to deliver virtual educational services to
4 districts and a summary of the actual fees paid by districts for
5 those services based on audited financial statements for the
6 immediately preceding fiscal year.

7 **(11) From the funds allocated under subsection (1), the**
8 **Michigan Virtual University shall allocate \$1,947,000.00 for 2021-**
9 **2022 to support Navigate 360.**

10 **(12) ~~(11)~~**As used in this section:

11 (a) "Blended learning" means a hybrid instructional delivery
12 model where pupils are provided content, instruction, and
13 assessment, in part at a supervised educational facility away from
14 home where the pupil and a teacher with a valid Michigan teaching
15 certificate are in the same physical location and in part through
16 internet-connected learning environments with some degree of pupil
17 control over time, location, and pace of instruction.

18 (b) "Cyber school" means a full-time instructional program of
19 virtual courses for pupils that may or may not require attendance
20 at a physical school location.

21 (c) "Virtual course" means a course of study that is capable
22 of generating a credit or a grade and that is provided in an
23 interactive learning environment in which the majority of the
24 curriculum is delivered using the internet and in which pupils are
25 separated from their instructor or teacher of record by time or
26 location, or both.

27 **Sec. 98b. (1) Subject to subsection (2) and (6), in order to**
28 **receive state aid under this article, the district must comply with**
29 **all of the following requirements:**

1 (a) For the 2021-2022 school year, except for the portion of
2 the first half of the 2021-2022 school year in which an exception
3 in this subdivision applies, the district must provide a full
4 schedule of in-person instruction to each pupil enrolled in the
5 district to be taught by a teacher of record to whom the pupil is
6 assigned, unless, either of the following applies:

7 (i) In the first half of the 2021-2022 school year, the pupil's
8 parent or legal guardian provides written notice, in a form and
9 manner prescribed by the district, to the district stating that he
10 or she is electing that his or her child will not participate in
11 the in-person instruction being provided as described in this
12 subdivision. A district shall ensure that a pupil for whom it
13 receives a notice described in this subparagraph is provided with
14 instruction online, digitally, or by other remote means, by a
15 teacher of record to whom the pupil is assigned.

16 (ii) In the first half of the 2021-2022 school year, the
17 district is prohibited from providing in-person instruction
18 pursuant to an executive order, proclamation, or directive issued
19 by the governor under the emergency management act, 1976 PA 390,
20 MCL 30.401 to 30.421, or an emergency order issued under section
21 2253 or 2453 of the public health code, 1978 PA 368, MCL 333.2253
22 and 333.2453.

23 (b) For the 2021-2022 school year, the district shall provide
24 all teachers of the district who are teaching in person proper
25 personal protection equipment and regular COVID-19 testing.

26 (c) For the 2021-2022 school year, except for the portion of
27 the first half of the 2021-2022 school year in which an exception
28 under subparagraph (i) or (ii) applies and subject to subparagraph
29 (iii), each teacher of record who is providing instruction to a pupil

1 enrolled in the district, including a pupil described in
2 subdivision (a) (i), shall provide that instruction to the pupil in
3 person or from a classroom designated by the district, unless any
4 of the following apply:

5 (i) In the first half of the 2021-2022 school year, the
6 district is prohibited from complying with this subdivision
7 pursuant to an executive order, proclamation, or directive issued
8 by the governor under the emergency management act, 1976 PA 390,
9 MCL 30.401 to 30.421, or an emergency order issued under section
10 2253 or 2453 of the public health code, 1978 PA 368, MCL 333.2253
11 and 333.2453.

12 (ii) In the first half of the 2021-2022 school year, the
13 teacher of record tests positive for coronavirus or is in a
14 condition for which the teacher of record could claim sick leave
15 from his or her employer, and the teacher of record agrees to
16 provide instruction to the pupil online, digitally, or by other
17 remote means. As used in this subparagraph, "coronavirus" means
18 severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2).

19 (iii) The instruction being provided to the pupil is being
20 provided by a community college or university.

21 (2) If subsection (1) (a) (i) or (ii) applies to a district, in
22 order to receive state aid under this article, a district must
23 provide instruction under an extended COVID-19 learning plan that
24 has been approved by an intermediate district or authorizing body,
25 as applicable, under subsection (3). It is the intent of the
26 legislature that extended COVID-19 learning plans described in this
27 subsection provide districts with maximum flexibility to adapt
28 their educational programs for some or all pupils at some or all of
29 the schools operated by the district to continue to respond to the

1 COVID-19 pandemic. An extended COVID-19 learning plan described in
2 this subsection must include all of the following elements:

3 (a) A statement indicating why an extended COVID-19 learning
4 plan is necessary.

5 (b) A description of how instruction will be delivered during
6 the first half of the 2021-2022 school year. Instruction, as
7 described in this subdivision, may be delivered at school or at a
8 different location but must be in person, except as otherwise
9 provided in the exceptions under subdivision (a) (i) or (ii); may be
10 in a synchronous or asynchronous format; and must be delivered as
11 included in the description. If the description of instructional
12 delivery under this subdivision differs from the delivery of
13 instruction reconfirmed under this subdivision, then instruction
14 must be delivered as reconfirmed. Thirty days after the approval of
15 the plan under subsection (3), and every 60 days thereafter for the
16 remainder of the first half of the 2021-2022 school year, the
17 district must, at a meeting of the board, reconfirm how instruction
18 is going to be delivered during the first half of the 2021-2022
19 school year. Public comment must be solicited from the parents or
20 legal guardians of the pupils enrolled in the district during a
21 meeting described in this subdivision. For each reconfirmation
22 described in this subdivision, the district shall report to the
23 center, in a form and manner prescribed by the center, the
24 instructional delivery method that was reconfirmed; how that
25 instruction will be delivered for each grade level offered by the
26 district, including pre-kindergarten, as applicable; and whether or
27 not, as determined by the department in consultation with the
28 center, the district is offering higher levels of in-person
29 instruction for English language learners, special education

1 students, or other special populations.

2 (c) A description of how instruction that is not being
3 provided in person for core academic areas provided under the
4 extended COVID-19 learning plan will expose each pupil to the
5 academic standards that apply for each pupil's grade level or
6 courses in the same scope and sequence as the district plans for
7 that exposure to occur for in person instruction, as applicable,
8 and a description of how pupil progress toward mastery of the
9 standards described in this subdivision will be graded or otherwise
10 reported to the pupil and the pupil's parent or legal guardian.

11 (d) If the district is delivering pupil instruction virtually,
12 an assurance and description of how pupils receiving instruction
13 virtually will be provided with equitable access to technology and
14 the internet necessary to participate in instruction. This
15 subdivision does not prohibit a district from providing pupil
16 instruction through nonvirtual educational materials.

17 (e) A description of how the district will ensure that
18 students with disabilities will be provided with equitable access
19 to instruction accommodation in accordance with applicable state
20 and federal laws, rules, and regulations.

21 (3) A district that is not a public school academy that
22 intends to provide instruction under an extended COVID-19 learning
23 plan shall submit its extended COVID-19 learning plan described in
24 subsection (2) to the intermediate district in which the district
25 is located by not later than 5 days after subsection (1)(a)(i) or
26 (ii) applies to the district, and, except as otherwise provided in
27 this subsection, a district that is a public school academy that
28 intends to provide instruction under an extended COVID-19 learning
29 plan shall submit its extended COVID-19 learning plan described in

1 subsection (2) to its authorizing body by not later than 5 days
2 after subsection (1)(a)(i) or (ii) applies to the district, for
3 approval. A district that is a public school academy that, by
4 agreement, provides educational services for the residents of a
5 district that is not a public school academy and that does not
6 directly provide public educational services to its residents that
7 intends to provide instruction under an extended COVID-19 learning
8 plan shall submit its extended COVID-19 learning plan described in
9 subsection (2) to the intermediate district in which it is located
10 not later than 5 days after subsection (1)(a)(i) or (ii) applies to
11 the district, for approval. An intermediate district or authorizing
12 body, as applicable, shall approve an extended COVID-19 learning
13 plan submitted for approval under this subsection by not later than
14 5 days after receiving the plan if the plan includes all of the
15 elements required for inclusion in the plan under subsection (2).
16 If an intermediate district or authorizing body, as applicable,
17 approves of a district's extended COVID-19 learning plan under this
18 subsection, the intermediate district or authorizing body, as
19 applicable, shall transmit copies of the approved plan to the
20 superintendent of public instruction and the state treasurer.

21 (4) An extended COVID-19 learning plan described in subsection
22 (2) and approved under subsection (3) must be made accessible
23 through the transparency reporting link located on the district's
24 website by not later than 3 days after the plan is approved under
25 subsection (3).

26 (5) This section does not apply to a district that operates as
27 a cyber school, as that term is defined in section 551 of the
28 revised school code, MCL 380.551.

29 (6) The requirement under subsection (1)(a) does not apply for

1 pupils who are enrolled in a virtual course under section 21f.

2 (7) As used in this section:

3 (a) "First half of the 2021-2022 school year" means the period
4 beginning on the first day of the 2021-2022 school year and ending
5 December 31, 2021 or, as applicable, the last day of the district's
6 first semester of the 2021-2022 school year or the last day of the
7 district's second trimester of the 2021-2022 school year, whichever
8 is later.

9 (b) "Teacher of record" means an individual to whom either of
10 the following apply:

11 (i) All of the following:

12 (A) One of the following, as applicable:

13 (I) The individual holds a valid Michigan teaching
14 certificate.

15 (II) The individual holds a teaching permit recognized by the
16 department, including, but not limited to, a permit for substitute
17 teaching.

18 (III) The individual is assigned to teach for less than 90
19 days.

20 (IV) The individual is teaching under either section 1233b or
21 1233c of the revised school code, MCL 380.1233b and 380.1233c.

22 (B) The individual is responsible for providing instruction,
23 determining instructional methods for each pupil, diagnosing
24 learning needs, assessing pupil learning, prescribing intervention
25 strategies and modifying lessons, reporting outcomes, and
26 evaluating the effects of instruction and support strategies.

27 (C) If the individual holds a valid Michigan teaching
28 certificate or a teaching permit recognized by the department, the
29 individual has a personnel identification code provided by the

1 center.

2 (ii) If the pupil instruction is being provided by a community
3 college or university, the individual is employed by or contracted
4 through the providing community college or university.

5 Sec. 98d. (1) From the state school aid fund money
6 appropriated under section 11, there is allocated for ~~2020-2021~~
7 **2021-2022** an amount not to exceed \$2,000,000.00 to Northern
8 Michigan University to support the MLC as described in this
9 section. Northern Michigan University shall not retain any portion
10 of the funding received under this section for administrative
11 purposes and shall provide funding to support the MLC. All of the
12 following apply to the MLC:

13 (a) The MLC must be created to help bridge equity gaps in K to
14 12 education linked to a student's ability to engage in distance
15 learning because of inadequate internet access or a lack of devices
16 in the home.

17 (b) The MLC shall provide over-the-air broadcasts 24 hours
18 each day for 7 days each week of quality instructional content that
19 is aligned with this state's K to 12 educational standards. Over-
20 the-air broadcasts as described in this subdivision must be
21 streamed live and must be archived for on-demand viewing on a
22 companion website, along with additional learning materials
23 relevant to lessons.

24 (c) The MLC must be managed and operated by DPTV, and DPTV
25 shall assume all risk, liability, and responsibility for the MLC in
26 accordance with regulations by the U.S. Federal Communications
27 Commission, PBS broadcast standards, and standard nonprofit
28 business standards. DPTV shall serve as the fiduciary agent and
29 service manager for the MLC. The MLC shall originate from a central

1 operations center that is responsible for providing the
2 infrastructure, content, and engagement of the MLC in partnership
3 with this state's educational leadership organizations.

4 (d) The MLC shall require that DPTV provide technology,
5 funding, staff training, and central management of the MLC to
6 station partners to insert additional channels into each station's
7 broadcast streams and to support staffing and engagement as
8 outlined in a memorandum of understanding among the stations.

9 (e) The MLC shall require that DPTV partner with at least 5
10 other Michigan public television stations including, but not
11 limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-
12 the-air MLC broadcasts described in this section and to support
13 engagement with local educators. Stations described in this
14 subdivision must be able to use the infrastructure provided by the
15 MLC to develop their own local content that best serves their
16 communities.

17 (f) The MLC shall not use the funds received from Northern
18 Michigan University under this section in support of the MLC for
19 any purposes fully funded by the governor's emergency education
20 relief fund grant.

21 (2) Not later than February 1, ~~2021~~, **2022**, the MLC shall
22 provide a report to the house and senate appropriations
23 subcommittees responsible for ~~state~~-school aid, the house and
24 senate fiscal agencies, and the state budget director detailing the
25 MLC's compliance with ensuring that conditions listed under
26 subsection (1) were met.

27 (3) Notwithstanding section 17b, the department shall make
28 payments under this section not later than December 1, ~~2020~~.**2021**.

29 (4) As used in this section:

1 (a) "DPTV" means Detroit public television.

2 (b) "MLC" means the Michigan learning channel.

3 Sec. 98e. (1) From the state school aid fund money
4 appropriated under section 11, there is allocated for 2021-2022
5 only an amount not to exceed \$200,000.00 to Michigan State
6 University HUB for Innovation in Learning and Technology for the
7 HEROES Tech Program as described under this section.

8 (2) Michigan State University HUB for Innovation in Learning
9 and Technology shall use funds allocated under this section to
10 support the HEROES Tech Program and shall ensure that the program
11 provides participants with professional training and certification
12 in science, technology, engineering, arts, and music, with a
13 specific focus on music and film technology production.

14 (3) In order for the HEROES Tech Program to be supported by
15 Michigan State University HUB for Innovation in Learning and
16 Technology, it must fund the participation of at least 100 students
17 during 2021-2022 and provide each student with training and hands-
18 on experience in a diverse array of technical skills in music and
19 film production technology from industry professionals, with an
20 added opportunity to earn certification from the Berklee College of
21 Music.

22 (4) Funding for the program funded under this section must not
23 continue past 2021-2022.

24 (5) Notwithstanding section 17b, the department shall make
25 grant payments under this section to Michigan State University HUB
26 for Innovation in Learning and Technology to support the HEROES
27 Tech Program by not later than November 15, 2021.

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 ~~\$4,400,000.00~~ **\$4,600,000.00** for ~~2020-2021~~ **2021-2022** for
2 competitive grants to districts and intermediate districts, and
3 from the general fund money appropriated in section 11, there is
4 allocated \$300,000.00 for ~~2020-2021~~ **2021-2022** 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 hosted by a science
8 and technology development program known as FIRST (for inspiration
9 and recognition of science and technology) Robotics, including JR
10 FIRST Lego League, FIRST Lego League, FIRST Tech challenge, and
11 FIRST Robotics competition, or other competitive robotics programs,
12 including VEX, **Square One**, and those hosted by the Robotics
13 Education and Competition (REC) Foundation. Programs funded under
14 this section are intended to increase the number of pupils
15 demonstrating proficiency in science and mathematics on the state
16 assessments and to increase the number of pupils who are college-
17 and career-ready upon high school graduation. Notwithstanding
18 section 17b, the department shall make grant payments to districts,
19 nonpublic schools, and intermediate districts under this section on
20 a schedule determined by the department. The department shall set
21 maximum grant awards for each different level of programming and
22 competition in a manner that both maximizes the number of teams
23 that will be able to receive funds and expands the geographical
24 distribution of teams.

25 (2) A district, nonpublic school, or intermediate district
26 applying for a grant under this section shall submit an application
27 in a form and manner prescribed by the department. To be eligible
28 for a grant, a district, nonpublic school, or intermediate district
29 must demonstrate in its application that the district, nonpublic

1 school, or intermediate district has established a partnership for
2 the purposes of the robotics program with at least 1 sponsor,
3 business entity, higher education institution, or technical school,
4 shall submit a spending plan, and shall provide a local in-kind or
5 cash match from other private or local funds of at least 25% of the
6 cost of the robotics program award.

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

9 (a) Grants to districts, nonpublic schools, or intermediate
10 districts to pay for stipends not to exceed \$1,500.00 per building
11 for coaching.

12 (b) Grants to districts, nonpublic schools, or intermediate
13 districts for event registrations, materials, travel costs, and
14 other expenses associated with the preparation for and attendance
15 at robotics events and competitions.

16 (c) Grants to districts, nonpublic schools, or intermediate
17 districts for awards to teams that advance to the next levels of
18 competition as determined by the department. The department shall
19 determine an equal amount per team for those teams that advance.

20 ~~(4) The funds allocated under this section for 2020-2021 are a~~
21 ~~work project appropriation, and any unexpended funds for 2020-2021~~
22 ~~are carried forward into 2021-2022. The purpose of the work project~~
23 ~~is to continue support of FIRST Robotics and must not be used to~~
24 ~~support other robotics competitions. The estimated completion date~~
25 ~~of the work project is September 30, 2023.~~

26 (4) ~~(5)~~ A nonpublic school that receives a grant under this
27 section may use the funds for either robotics or Science Olympiad
28 programs.

29 (5) ~~(6)~~ To be eligible to receive funds under this section, a

1 nonpublic school must be a nonpublic school registered with the
2 department and must meet all applicable state reporting
3 requirements for nonpublic schools.

4 Sec. 99i. From the general fund money appropriated in section
5 11, there is allocated for ~~2020-2021~~**-2021-2022** an amount not to
6 exceed \$150,000.00 to support the Michigan council of women in
7 technology foundation. The funds awarded under this section must be
8 used to support the girls-exploring-together-information-technology
9 clubs for middle and high school girls that provide structured
10 hands-on learning activities through a comprehensive technology-
11 focused curriculum.

12 Sec. 99s. (1) From the funds appropriated under section 11,
13 there is allocated for ~~2020-2021~~**-2021-2022** an amount not to exceed
14 \$7,634,300.00 from the state school aid fund appropriation and an
15 amount not to exceed \$300,000.00 from the general fund
16 appropriation for Michigan science, technology, engineering, and
17 mathematics (MiSTEM) programs. In addition, from the federal funds
18 appropriated in section 11, there is allocated to the department
19 for ~~2020-2021~~**-2021-2022** an amount estimated at \$235,000.00 from
20 DED-OESE, title II, mathematics and science partnership grants. The
21 MiSTEM network may receive funds from private sources. If the
22 MiSTEM network receives funds from private sources, the MiSTEM
23 network shall expend those funds in alignment with the statewide
24 STEM strategy. Programs funded under this section are intended to
25 increase the number of pupils demonstrating proficiency in science
26 and mathematics on the state assessments, to increase the number of
27 pupils who are college- and career-ready upon high school
28 graduation, and to promote certificate and degree attainment in
29 STEM fields. Notwithstanding section 17b, the department shall make

1 payments under this section on a schedule determined by the
2 department.

3 ~~(2) All of the following apply to the MiSTEM advisory council:~~

4 ~~(a) The MiSTEM advisory council is created. The MiSTEM~~
5 ~~advisory council shall provide to the governor, legislature,~~
6 ~~department of labor and economic opportunity, and department~~
7 ~~recommendations designed to improve and promote innovation in STEM~~
8 ~~education and to prepare students for careers in science,~~
9 ~~technology, engineering, and mathematics.~~

10 ~~(b) The MiSTEM advisory council created under subdivision (a)~~
11 ~~consists of the following members:~~

12 ~~(i) The governor shall appoint 11 voting members who are~~
13 ~~representative of business sectors that are important to Michigan's~~
14 ~~economy and rely on a STEM-educated workforce, nonprofit~~
15 ~~organizations and associations that promote STEM education, K-12~~
16 ~~and postsecondary education entities involved in STEM-related~~
17 ~~career education, or other sectors as considered appropriate by the~~
18 ~~governor. Each of these members serves at the pleasure of the~~
19 ~~governor and for a term determined by the governor.~~

20 ~~(ii) The senate majority leader shall appoint 2 members of the~~
21 ~~senate to serve as nonvoting, ex-officio members of the MiSTEM~~
22 ~~advisory council, including 1 majority party member and 1 minority~~
23 ~~party member.~~

24 ~~(iii) The speaker of the house of representatives shall appoint~~
25 ~~2 members of the house of representatives to serve as nonvoting,~~
26 ~~ex-officio members of the MiSTEM advisory council, including 1~~
27 ~~majority party member and 1 minority party member.~~

28 ~~(iv) The governor shall appoint 1 state officer or employee to~~
29 ~~serve as a nonvoting, ex-officio member of the MiSTEM advisory~~

1 ~~council.~~

2 ~~(c) Each member of the MiSTEM advisory council serves without~~
 3 ~~compensation.~~

4 (2) ~~(d)~~ The MiSTEM ~~advisory~~ council annually shall review and
 5 make recommendations to the governor, the legislature, and the
 6 department concerning changes to the statewide strategy adopted by
 7 the council for delivering STEM education-related opportunities to
 8 pupils. The MiSTEM ~~advisory~~ council shall use funds received under
 9 this subsection to ensure that its members or their designees are
 10 trained in the Change the Equation STEMworks rating system program
 11 for the purpose of rating STEM programs.

12 (3) The MiSTEM ~~advisory~~ council shall make specific funding
 13 recommendations for the funds allocated under subsection (4) by
 14 December 15 of each fiscal year. Each specific funding
 15 recommendation must be for a program approved by the MiSTEM
 16 ~~advisory~~ council. All of the following apply:

17 (a) To be eligible for MiSTEM ~~advisory~~ council approval as
 18 described in this subsection, a program must satisfy all of the
 19 following:

20 (i) Align with this state's academic standards.

21 (ii) Have STEMworks certification.

22 (iii) Provide project-based experiential learning, student
 23 programming, or educator professional learning experiences.

24 (iv) Focus predominantly on classroom-based STEM experiences or
 25 professional learning experiences.

26 (b) The MiSTEM ~~advisory~~ council shall approve programs that
 27 represent all network regions and include a diverse array of
 28 options for students and educators and at least 1 program in each
 29 of the following areas:

1 (i) Robotics.

2 (ii) Computer science or coding.

3 (iii) Engineering or bioscience.

4 (c) The MiSTEM ~~advisory~~ council is encouraged to work with the
5 MiSTEM network to develop locally and regionally developed programs
6 and professional learning experiences for the programs on the list
7 of approved programs.

8 (d) If the MiSTEM ~~advisory~~ council is unable to make specific
9 funding recommendations by December 15 of a fiscal year, the
10 department shall award and distribute the funds allocated under
11 subsection (4) on a competitive grant basis that at least follows
12 the statewide STEM strategy plan and rating system recommended by
13 the MiSTEM ~~advisory~~ council. Each grant must provide STEM
14 education-related opportunities for pupils.

15 (e) The MiSTEM ~~advisory~~ council shall work with the ~~executive~~
16 ~~director of the MiSTEM network~~ **department of labor and economic**
17 **opportunity** to implement the statewide STEM strategy adopted by the
18 MiSTEM ~~advisory~~ council.

19 (4) From the state school aid fund money allocated under
20 subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an
21 amount not to exceed \$3,050,000.00 for the purpose of funding
22 programs under this section for ~~2020-2021~~ **2021-2022** as recommended
23 by the MiSTEM ~~advisory~~ council.

24 (5) From the state school aid fund money allocated under
25 subsection (1), there is allocated an amount not to exceed
26 \$3,834,300.00 for ~~2020-2021~~ **2021-2022** to support the activities and
27 programs of the MiSTEM network regions. In addition, from the
28 federal funds allocated under subsection (1), there is allocated
29 for ~~2020-2021~~ **2021-2022** an amount estimated at \$235,000.00 from

1 DED-OESE, title II, mathematics and science partnership grants, for
2 the purposes of this subsection. From the money allocated under
3 this subsection, the department shall award the fiscal agent for
4 each MiSTEM network region \$200,000.00 for the base operations of
5 each region. The department shall distribute the remaining funds to
6 each fiscal agent in an equal amount per pupil, based on the number
7 of K to 12 pupils enrolled in districts within each region in the
8 immediately preceding fiscal year.

9 (6) A MiSTEM network region shall do all of the following:

10 (a) Collaborate with the career and educational advisory
11 council that is located in the MiSTEM region to develop a regional
12 strategic plan for STEM education that creates a robust regional
13 STEM culture, that empowers STEM teachers, that integrates business
14 and education into the STEM network, and that ensures high-quality
15 STEM experiences for pupils. At a minimum, a regional STEM
16 strategic plan should do all of the following:

17 (i) Identify regional employer need for STEM.

18 (ii) Identify processes for regional employers and educators to
19 create guided pathways for STEM careers that include internships or
20 externships, apprenticeships, and other experiential engagements
21 for pupils.

22 (iii) Identify educator professional development opportunities,
23 including internships or externships and apprenticeships, that
24 integrate this state's science standards into high-quality STEM
25 experiences that engage pupils.

26 (b) Facilitate regional STEM events such as educator and
27 employer networking and STEM career fairs to raise STEM awareness.

28 (c) Contribute to the MiSTEM website and engage in other
29 MiSTEM network functions to further the mission of STEM in this

1 state in coordination with the MiSTEM ~~advisory council and its~~
 2 ~~executive director.~~ **the department of labor and economic**
 3 **opportunity.**

4 (d) Facilitate application and implementation of state and
 5 federal funds under this subsection and any other grants or funds
 6 for the MiSTEM network region.

7 (e) Work with districts to provide STEM programming and
 8 professional learning.

9 (f) Coordinate recurring discussions and work with the career
 10 and educational advisory council to ensure that feedback and best
 11 practices are being shared, including funding, program,
 12 professional learning opportunities, and regional strategic plans.

13 (7) From the state school aid fund money allocated under
 14 subsection (1), the department shall distribute for ~~2020-2021-2021-~~
 15 **2022** an amount not to exceed \$750,000.00, in a form and manner
 16 determined by the department, to those network regions able to
 17 ~~provide curriculum and professional development support to assist~~
 18 ~~districts in implementing the Michigan merit curriculum components~~
 19 ~~for mathematics and science.~~ **further the statewide STEM strategy**
 20 **recommended by the MiSTEM council.**

21 (8) In order to receive state or federal funds under
 22 subsection (5) or (7), or to receive funds from private sources as
 23 authorized under subsection (1), a grant recipient must allow
 24 access for the department or the department's designee to audit all
 25 records related to the program for which it receives those funds.
 26 The grant recipient shall reimburse the state for all disallowances
 27 found in the audit.

28 (9) In order to receive state funds under subsection (5) or
 29 (7), a grant recipient must provide at least a 10% local match from

1 local public or private resources for the funds received under this
2 subsection.

3 (10) Not later than July 1 of each year, a MiSTEM network
4 region that receives funds under subsection (5) shall report to the
5 executive director of the MiSTEM network in a form and manner
6 prescribed by the executive director on performance measures
7 developed by the MiSTEM network regions and approved by the
8 executive director. The performance measures must be designed to
9 ensure that the activities of the MiSTEM network are improving
10 student academic outcomes.

11 (11) Not more than 5% of a MiSTEM network region grant under
12 subsection (5) or (7) may be retained by a fiscal agent for serving
13 as the fiscal agent of a MiSTEM network region.

14 (12) From the general fund money allocated under subsection
15 (1), there is allocated an amount not to exceed \$300,000.00 to the
16 department of labor and economic opportunity to support the
17 ~~functions of the executive director and executive assistant~~ **staff**
18 for the MiSTEM network, and for administrative, training, and
19 travel costs related to the MiSTEM ~~advisory~~ council. The ~~executive~~
20 ~~director and executive assistant~~ **staff** for the MiSTEM network shall
21 do all of the following:

22 (a) Serve as a liaison among and between the department, the
23 department of labor and economic opportunity, the MiSTEM ~~advisory~~
24 council, the governor's ~~future talent council,~~ **workforce**
25 **development board**, the MiSTEM regions, and any other relevant
26 organization or entity in a manner that creates a robust statewide
27 STEM culture, that empowers STEM teachers, that integrates business
28 and education into the STEM network, and that ensures high-quality
29 STEM experiences for pupils.

1 (b) Coordinate the implementation of a marketing campaign,
2 including, but not limited to, a website that includes dashboards
3 of outcomes, to build STEM awareness and communicate STEM needs and
4 opportunities to pupils, parents, educators, and the business
5 community.

6 (c) Work with the department and the MiSTEM ~~advisory~~ council
7 to coordinate, award, and monitor MiSTEM state and federal grants
8 to the MiSTEM network regions and conduct reviews of grant
9 recipients, including, but not limited to, pupil experience and
10 feedback.

11 (d) Report to the governor, the legislature, the department,
12 and the MiSTEM ~~advisory~~ council annually on the activities and
13 performance of the MiSTEM network regions.

14 (e) Coordinate recurring discussions and work with regional
15 staff to ensure that a network or loop of feedback and best
16 practices are shared, including funding, programming, professional
17 learning opportunities, discussion of MiSTEM strategic vision, and
18 regional objectives.

19 (f) Coordinate major grant application efforts with the MiSTEM
20 ~~advisory~~ council to assist regional staff with grant applications
21 on a local level. The MiSTEM ~~advisory~~ council shall leverage
22 private and nonprofit relationships to coordinate and align private
23 funds in addition to funds appropriated under this section.

24 (g) Train state and regional staff in the STEMworks rating
25 system, in collaboration with the MiSTEM ~~advisory~~ council and the
26 department.

27 (h) Hire MiSTEM network region staff in collaboration with the
28 network region fiscal agent.

29 (13) As used in this section:

(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

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

(c) "DED-OESE" means the DED Office of Elementary and Secondary Education.

(d) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and Mathematics Education Advisory Council created as an advisory body within the department of labor and economic opportunity by Executive Reorganization Order No. 2019-13, MCL 125.1998.

(e) ~~(d)~~ "STEM" means science, technology, engineering, and mathematics delivered in an integrated fashion using cross-disciplinary learning experiences that can include language arts, performing and fine arts, and career and technical education.

Sec. 99t. (1) From the general fund appropriation under section 11, there is allocated an amount not to exceed \$1,000,000.00 for ~~2020-2021~~ **2021-2022** to purchase statewide access to an online algebra tool that meets all of the following:

(a) Provides students statewide with complete access to videos aligned with state standards including study guides and workbooks that are aligned with the videos.

(b) Provides students statewide with access to a personalized online algebra learning tool including adaptive diagnostics.

(c) Provides students statewide with dynamic algebra practice assessments that emulate the state assessment with immediate feedback and help solving problems.

(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~~ **Subject to subsection (2), from** the general
15 fund money appropriated under section 11, there is allocated for
16 ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$1,500,000.00~~
17 **\$3,450,000.00** to a provider that is a provider of both of the
18 following:

19 (a) An online mathematics tool that meets all of the
20 following:

21 (i) Provides students statewide with complete access to
22 mathematics support aligned with state standards through a program
23 that has all of the following elements:

24 (A) Student motivation.

25 (B) Valid and reliable assessments.

26 (C) Personalized learning pathways.

27 (D) Highly qualified, live teachers available all day and all
28 year.

29 (E) Twenty-four-hour reporting.

(F) Content built for rigorous mathematics.

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

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

(b) A program that provides explicit, targeted literacy instruction within an individualized learning path that continually adjusts to a pupil's needs. A program described in this subdivision that is funded under this subsection must be funded through a grant to a provider described in this subsection that also promotes literacy through the teaching of critical language and literacy concepts, such as reading and listening comprehension, basic vocabulary, academic language, grammar, phonological awareness, phonics, and fluency.

(2) A grantee that receives funding under this section shall allocate \$2,450,000.00 of the funding for the purposes of an online mathematics tool described in subsection (1)(a) and shall allocate \$1,000,000.00 of the funding for the purposes of targeted literacy instruction described in subsection (1)(b).

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

(4) ~~(3)~~—Notwithstanding section 17b, the department shall make payments under this section by not later than December 1, ~~2020-2021~~.

Sec. 99w. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$400,000.00~~ **\$600,000.00** for ~~2020-2021-2021-2022~~ to facilitate a culture of health and physical activity as part of daily life. Funding under this section must be a grant to the Michigan Fitness Foundation to work with the department to invest in a physical education

curriculum. Funding under this section may support staff, evaluation, assessment, technology, meetings, training, travel, materials, and other administrative expenses in support of an updated physical education curriculum. Funding under this section may be used as matching dollars to qualify for federal and private resources to support physical education.

~~(2) An entity that received funding under this section for 2018-2019 may expend those funds through September 30, 2021.~~

(2) ~~(3)~~ Notwithstanding section 17b, the department shall make payments under this section by not later than December 1, 2020-2021.

Sec. 99x. (1) From the general fund money appropriated under section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed \$1,000,000.00 for Teach for America to host a summer training institute in the city of Detroit, recruit teachers into a master teacher fellowship, and retain a committed alumni community. A program funded under this section must provide coaching and professional development, with the goal to produce highly effective teachers that move pupils beyond their growth benchmarks.

(2) Notwithstanding section 17b, the department shall make payments under this section by not later than December 1, 2020-2021.

Sec. 99z. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$5,000,000.00 for ~~2020-2021~~ **2021-2022** for payments to eligible districts described in subsection (3) to be used in the manner described in subsection (4).

(2) A district seeking funding under this section shall apply for the funding in a form and manner prescribed by the department.

1 (3) A district that meets all of the following is an eligible
2 district under this section:

3 (a) In its application described in subsection (2), the
4 district confirms its approval of a department-generated list that
5 includes the full name and personnel identification code for each
6 eligible teacher employed by the district in an assignment as
7 described in subsection ~~(8) (b) (i)~~ **(7) (b) (i)** and (ii) to whom it will
8 provide a payment under subsection (4) with the funding received
9 under this section.

10 (b) The district agrees to provide to each eligible teacher
11 whose name is included on the list described in subdivision (a) a
12 payment of \$500.00, in addition to the payment it will provide
13 those eligible teachers under subsection (4).

14 (c) The district agrees to pay each eligible teacher the
15 payment described in subdivision (b) and subsection (4) by not
16 later than 45 days after receiving the disbursement of funds under
17 this section from the department.

18 (4) An eligible district that receives funding under this
19 section shall use that funding only as follows:

20 (a) If the eligible district is a district in which at least
21 70% of the pupils in membership in the district for the immediately
22 preceding fiscal year were economically disadvantaged, to provide a
23 payment of \$1,000.00 to each eligible teacher whose name is
24 included on the list described in subsection (3) (a).

25 (b) If the eligible district is not a district described in
26 subdivision (a), to provide a payment of \$500.00 to each eligible
27 teacher whose name is included on the list described in subsection
28 (3) (a).

29 ~~(5) It is the intent of the legislature to provide for funding~~

~~so that an eligible teacher who receives a payment under this section from the district to which he or she is assigned as described in this section receives payments under this section through that eligible teacher's third year of teaching at that district if that teacher remains continuously employed full-time at that district during those 3 years. For purposes of this subsection, an eligible teacher is considered continuously employed at a district during a period for which he or she is on approved medical, parental, or military leave.~~

(5) ~~(6)~~ The funds allocated under this section for ~~2020-2021~~ **2021-2022** are a work project appropriation, and any unexpended funds for ~~2020-2021-2021-2022~~ are carried forward into ~~2021-2022-~~ **2022-2023**. The purpose of the work project is to continue providing payments to eligible teachers as described in this section. The estimated completion date of the work project is September 30, ~~2023.2024.~~

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

(7) ~~(8)~~ As used in this section:

(a) "Economically disadvantaged" means that term as defined in section 31a.

(b) "Eligible teacher" means an individual who meets all of the following:

(i) Is assigned a teacher assignment code in the registry of educational personnel for the first time in the ~~2020-2021-2021-2022~~ school year.

(ii) Is assigned to a district in the registry of educational personnel in the ~~2020-2021-2021-2022~~ school year.

(iii) Has completed a full school year as a full-time teacher at the district to which he or she is assigned as described in subparagraph (ii) or, through a cooperative agreement, at multiple districts, **and who commits to teach for a second school year.**

(iv) Holds a valid Michigan teaching certificate or holds a full-year permit.

(v) Is employed by the district or districts described in subparagraph (iii) on or before November 1, ~~2020~~**2021.**

(vi) Has not been subject to any recorded disciplinary action during the school year.

(c) "Registry of educational personnel" means the data collected biannually by the center on June 30 and the first business day of December.

Sec. 101. (1) To be eligible to receive state aid under this article, not later than the fifth Wednesday after the pupil membership count day and not later than the fifth Wednesday after the supplemental count day, each district superintendent shall submit and certify to the center and the intermediate superintendent, in the form and manner prescribed by the center, the number of pupils enrolled and in regular daily attendance, or, for ~~2020-2021~~**2021-2022** only, **not later than the fifth Wednesday after the pupil membership count day,** the number of pupils engaged in pandemic learning for fall ~~2020~~ ~~or the number of pupils engaged in pandemic learning for spring 2021, as applicable, or, for a~~ **2021 in a district that is not a** district that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, the number of pupils enrolled and in regular daily attendance, including identification of tuition-paying pupils, in the district as of the pupil membership count day

1 and as of the supplemental count day, as applicable, for the
2 current school year. In addition, a district maintaining school
3 during the entire year shall submit and certify to the center and
4 the intermediate superintendent, in the form and manner prescribed
5 by the center, the number of pupils enrolled and in regular daily
6 attendance in the district or, for ~~2020-2021~~ **2021-2022** only, the
7 number of pupils engaged in pandemic learning for fall ~~2020~~ ~~or the~~
8 ~~number of pupils engaged in pandemic learning for spring 2021, as~~
9 ~~applicable, or, for a~~ **2021 and the number of pupils enrolled and in**
10 **regular daily attendance in a district or, for a** district that
11 operates as a cyber school, as that term is defined in section 551
12 of the revised school code, MCL 380.551, the number of pupils
13 enrolled and in regular daily attendance, for the current school
14 year pursuant to rules promulgated by the superintendent. Not later
15 than the sixth Wednesday after the pupil membership count day and
16 not later than the sixth Wednesday after the supplemental count
17 day, the district shall resolve any pupil membership conflicts with
18 another district, correct any data issues, and recertify the data
19 in a form and manner prescribed by the center and file the
20 certified data with the intermediate superintendent. If a district
21 fails to submit and certify the attendance data, as required under
22 this subsection, the center shall notify the department and the
23 department shall withhold state aid due to be distributed under
24 this article from the defaulting district immediately, beginning
25 with the next payment after the failure and continuing with each
26 payment until the district complies with this subsection. If a
27 district does not comply with this subsection by the end of the
28 fiscal year, the district forfeits the amount withheld. A person
29 who willfully falsifies a figure or statement in the certified and

1 sworn copy of enrollment is subject to penalty as prescribed by
2 section 161. ~~As used in this subsection, "pupils engaged in~~
3 ~~pandemic learning for spring 2021" means that term as defined in~~
4 ~~section 6a.~~

5 (2) To be eligible to receive state aid under this article,
6 not later than the twenty-fourth Wednesday after the pupil
7 membership count day and not later than the twenty-fourth Wednesday
8 after the supplemental count day, an intermediate district shall
9 submit to the center, in a form and manner prescribed by the
10 center, the audited enrollment and attendance data as described in
11 subsection (1) for the pupils of its constituent districts and of
12 the intermediate district. If an intermediate district fails to
13 submit the audited data as required under this subsection, the
14 department shall withhold state aid due to be distributed under
15 this article from the defaulting intermediate district immediately,
16 beginning with the next payment after the failure and continuing
17 with each payment until the intermediate district complies with
18 this subsection. If an intermediate district does not comply with
19 this subsection by the end of the fiscal year, the intermediate
20 district forfeits the amount withheld.

21 (3) Except as otherwise provided in subsections (11), (12),
22 and (13), all of the following apply to the provision of pupil
23 instruction:

24 (a) Except as otherwise provided in this section, each
25 district shall provide at least 1,098 hours and 180 days of pupil
26 instruction. If a collective bargaining agreement that provides a
27 complete school calendar was in effect for employees of a district
28 as of June 24, 2014, and if that school calendar is not in
29 compliance with this subdivision, then this subdivision does not

1 apply to that district until after the expiration of that
2 collective bargaining agreement. A district may apply for a waiver
3 under subsection (9) from the requirements of this subdivision.

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

23 (c) Hours or days lost because of strikes or teachers'
24 conferences are not counted as hours or days of pupil instruction.

25 (d) Except as otherwise provided in subdivisions (e), (f), and
26 (h), if a district does not have at least 75% of the district's
27 membership in attendance on any day of pupil instruction, the
28 department shall pay the district state aid in that proportion of
29 $\frac{1}{180}$ that the actual percent of attendance bears to 75%.

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

17 (f) At the request of a district that operates a department-
18 approved alternative education program and that does not provide
19 instruction for pupils in all of grades K to 12, the superintendent
20 shall grant a waiver from the requirements of subdivision (d). The
21 waiver must provide that an eligible district is subject to the
22 proration provisions of subdivision (d) only if the district does
23 not have at least 50% of the district's membership in attendance on
24 any day of pupil instruction. In order to be eligible for this
25 waiver, a district must maintain records to substantiate its
26 compliance with the following requirements:

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

29 (ii) For each enrolled pupil, the district uses appropriate

1 academic assessments to develop an individual education plan that
2 leads to a high school diploma.

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

6 (g) All of the following apply to a waiver granted under
7 subdivision (f):

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

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

20 (iii) A waiver that is not a waiver described in subparagraph
21 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the
22 superintendent, and must be renewed at the end of the 3-year period
23 to remain in effect.

24 (h) For the ~~2020-2021~~ **2021-2022** school year only, subdivision
25 (d) does not apply for any day of pupil instruction. ~~However, for~~
26 ~~the 2020-2021 school year only, a district shall ensure that 1 2-~~
27 ~~way interaction occurs between a pupil enrolled in the district and~~
28 ~~the pupil's teacher or at least 1 of the pupil's teachers or~~
29 ~~another district employee who has responsibility for the pupil's~~

~~learning, grade progression, or academic progress during each month of the school year for at least 75% of pupils enrolled in the district. As used in the immediately preceding sentence, "school year" means a period comprising at least 9 calendar months that are chosen by a district and that are designated as part of the district's 2020-2021 school year. If a district does not ensure that the interactions required under this subdivision occur for at least 75% of pupils enrolled in the district as required under this subdivision, the department shall pay the district state aid in that proportion of 1/9 that the actual percentage of interaction during each month bears to 75%. As used in this subdivision, "2-way interaction" means a communication that occurs between a pupil and the pupil's teacher or at least 1 of the pupil's teachers or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, where 1 party initiates communication and a 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 subdivision, 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 subdivision may occur through, but is not limited to, any of the following means:~~

- ~~(i) Electronic mail.~~
- ~~(ii) Telephone.~~
- ~~(iii) Instant messaging.~~

1 ~~(iv) Face to face conversation.~~

2 ~~(i) The superintendent shall promulgate rules for the~~
3 ~~implementation of this subsection.~~ **that occurs during the first half**
4 **of the 2021-2022 school year for the period of that first half for**
5 **which section 98b(1) (a) (i) or (ii) applies to the district, as**
6 **applicable.**

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

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

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

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

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

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

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

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

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

28 (c) Except as otherwise provided in this subdivision, a pupil
29 in grades 9 to 12 for whom a reduced schedule is determined to be

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

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

23 (e) In grades 7 through 12, instructional time that is part of
24 a Junior Reserve Officer Training Corps (JROTC) program is
25 considered to be pupil instruction time regardless of whether the
26 instructor is a certificated teacher if all of the following are
27 met:

28 (i) The instructor has met all of the requirements established
29 by the United States Department of Defense and the applicable

1 branch of the armed services for serving as an instructor in the
2 Junior Reserve Officer Training Corps program.

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

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

12 (9) Upon application by the district for a particular fiscal
13 year, the superintendent shall waive for a district the minimum
14 number of hours and days of pupil instruction requirement of
15 subsection (3) for a department-approved alternative education
16 program or another innovative program approved by the department,
17 including a 4-day school week. If a district applies for and
18 receives a waiver under this subsection and complies with the terms
19 of the waiver, the district is not subject to forfeiture under this
20 section for the specific program covered by the waiver. If the
21 district does not comply with the terms of the waiver, the amount
22 of the forfeiture is calculated based upon a comparison of the
23 number of hours and days of pupil instruction actually provided to
24 the minimum number of hours and days of pupil instruction required
25 under subsection (3). A district shall report pupils enrolled in a
26 department-approved alternative education program under this
27 subsection to the center in a form and manner determined by the
28 center. All of the following apply to a waiver granted under this
29 subsection:

1 (a) If the waiver is for a blended model of delivery, a waiver
2 that is granted for the 2011-2012 fiscal year or a subsequent
3 fiscal year remains in effect unless it is revoked by the
4 superintendent.

5 (b) If the waiver is for a 100% online model of delivery and
6 the educational program for which the waiver is granted makes
7 educational services available to pupils for a minimum of at least
8 1,098 hours during a school year and ensures that each pupil is on
9 track for course completion at proficiency level, a waiver that is
10 granted for the 2011-2012 fiscal year or a subsequent fiscal year
11 remains in effect unless it is revoked by the superintendent.

12 (c) A waiver that is not a waiver described in subdivision (a)
13 or (b) is valid for 3 fiscal years, unless it is revoked by the
14 superintendent, and must be renewed at the end of the 3-year period
15 to remain in effect.

16 (10) A district may count up to 38 hours of professional
17 development for teachers as hours of pupil instruction. All of the
18 following apply to the counting of professional development as
19 pupil instruction under this subsection:

20 (a) If the professional development exceeds 5 hours in a
21 single day, that day may be counted as a day of pupil instruction.

22 (b) At least 8 hours of the professional development counted
23 as hours of pupil instruction under this subsection must be
24 recommended by a districtwide professional development advisory
25 committee appointed by the district board. The advisory committee
26 must be composed of teachers employed by the district who represent
27 a variety of grades and subject matter specializations, including
28 special education; nonteaching staff; parents; and administrators.
29 The majority membership of the committee must be composed of

1 teaching staff.

2 (c) Professional development provided online is allowable and
3 encouraged, as long as the instruction has been approved by the
4 district. The department shall issue a list of approved online
5 professional development providers that must include the Michigan
6 Virtual School.

7 (d) Professional development may only be counted as hours of
8 pupil instruction under this subsection for the pupils of those
9 teachers scheduled to participate in the professional development.

10 (e) The professional development must meet all of the
11 following to be counted as pupil instruction under this subsection:

12 (i) Be aligned to the school or district improvement plan for
13 the school or district in which the professional development is
14 being provided.

15 (ii) Be linked to 1 or more criteria in the evaluation tool
16 developed or adopted by the district or intermediate district under
17 section 1249 of the revised school code, MCL 380.1249.

18 (iii) Has been approved by the department as counting for state
19 continuing education clock hours. The number of hours of
20 professional development counted as hours of pupil instruction
21 under this subsection may not exceed the number of state continuing
22 education clock hours for which the professional development was
23 approved.

24 (iv) Not more than a combined total of 10 hours of the
25 professional development takes place before the first scheduled day
26 of school for the school year ending in the fiscal year and after
27 the last scheduled day of school for that school year.

28 (v) Not more than 10 hours of the professional development
29 takes place in a single month.

1 (vi) At least 75% of teachers scheduled to participate in the
2 professional development are in attendance.

3 (11) Subsections (3) and (8) do not apply to a school of
4 excellence that is a cyber school, as that term is defined in
5 section 551 of the revised school code, MCL 380.551, and is in
6 compliance with section 553a of the revised school code, MCL
7 380.553a.

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

12 ~~(13) For the 2020-2021 school year only, the minimum number of~~
13 ~~hours and days of pupil instruction requirement under subsection~~
14 ~~(3) is waived for each district that, at a minimum, provides pupil~~
15 ~~instruction for the 2020-2021 school year at school, at a different~~
16 ~~location, in person, online, digitally, by other remote means, in a~~
17 ~~synchronous or asynchronous format, or through any combination~~
18 ~~therein that results in an amount of hours and days necessary to~~
19 ~~deliver the educational or course content that would have been~~
20 ~~delivered in 180 days and 1,098 hours in a school year in which~~
21 ~~pandemic learning was not provided and that would have led to~~
22 ~~course completion. As used in this subsection, "pandemic learning"~~
23 ~~means a mode of pupil instruction provided as a result of the~~
24 ~~COVID-19 pandemic.~~**For the 2021-2022 school year, the minimum number**
25 **of hours and days of pupil instruction requirement under subsection**
26 **(3) is waived for each district that meets both of the following:**

27 (a) For the first half of the 2021-2022 school year, at a
28 minimum, the district provides pupil instruction at school, at a
29 different location, in person, online, digitally, by other remote

1 means, in a synchronous or asynchronous format, or through any
2 combination therein that results in an amount of hours and days
3 necessary to deliver the educational or course content that would
4 have been delivered in 90 days and 549 hours in a school year in
5 which pandemic learning was not provided and that would have led to
6 course completion. As used in this subdivision, "pandemic learning"
7 means a mode of pupil instruction provided as a result of the
8 COVID-19 pandemic.

9 (b) For the period beginning after the first half of the 2021-
10 2022 school year and ending on the last day of the 2021-2022 school
11 year, each district must provide at least 549 hours and 90 days of
12 pupil instruction in the manner the district otherwise would have
13 to meet the minimum number of hours and days requirement under
14 subsection (3).

15 (14) At least every 2 years the superintendent shall review
16 the waiver standards set forth in the pupil accounting and auditing
17 manuals to ensure that the waiver standards and waiver process
18 continue to be appropriate and responsive to changing trends in
19 online learning. The superintendent shall solicit and consider
20 input from stakeholders as part of this review.

21 (15) As used in this section, "first half of the 2021-2022
22 school year" means the period beginning on the first day of the
23 2021-2022 school year and ending December 31, 2021 or the last day
24 of the district's first semester of the 2021-2022 school year,
25 whichever is later.

26 Sec. 104. (1) In order to receive state aid under this
27 article, a district shall comply with sections 1249, 1278a, 1278b,
28 1279g, and 1280b of the revised school code, MCL 380.1249,
29 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL

1 388.1081 to 388.1086. Subject to subsection (2), from the state
2 school aid fund money appropriated in section 11, there is
3 allocated for ~~2020-2021-2021-2022~~ an amount not to exceed
4 \$31,009,400.00 for payments on behalf of districts for costs
5 associated with complying with those provisions of law. In
6 addition, from the federal funds appropriated in section 11, there
7 is allocated for ~~2020-2021-2021-2022~~ an amount estimated at
8 \$6,250,000.00 funded from DED-OESE, title VI, state assessment
9 funds, and from DED-OSERS, ~~section 504 of~~ part B of the individuals
10 with disabilities education act, ~~Public Law 94-142, 20 USC 1411 to~~
11 **1419** plus any carryover federal funds from previous year
12 appropriations, for the purposes of complying with the every
13 student succeeds act, Public Law 114-95.

14 (2) The results of each test administered as part of the
15 Michigan student test of educational progress (M-STEP), including
16 tests administered to high school students, must include an item
17 analysis that lists all items that are counted for individual pupil
18 scores and the percentage of pupils choosing each possible
19 response. The department shall work with the center to identify the
20 number of students enrolled at the time assessments are given by
21 each district. In calculating the percentage of pupils assessed for
22 a district's scorecard, the department shall use only the number of
23 pupils enrolled in the district at the time the district
24 administers the assessments and shall exclude pupils who enroll in
25 the district after the district administers the assessments.

26 (3) The department shall distribute federal funds allocated
27 under this section in accordance with federal law and with
28 flexibility provisions outlined in Public Law 107-116, and in the
29 education flexibility partnership act of 1999, Public Law 106-25.

1 (4) From the funds allocated in subsection (1), there is
2 allocated an amount not to exceed \$1,500,000.00 to an intermediate
3 district described in this subsection for, except as otherwise
4 provided in this subsection, statewide implementation of the
5 Michigan kindergarten entry observation tool (MKEO), utilizing the
6 Maryland-Ohio observational tool, also referred to as the
7 Kindergarten Readiness Assessment, as piloted under this subsection
8 in 2017-2018 and implemented in 2018-2019 and 2019-2020. The
9 funding in this subsection is allocated to an intermediate district
10 in prosperity region 9 with at least 3,000 kindergarten pupils
11 enrolled in its constituent districts. ~~An intermediate district~~
12 ~~described in this subsection is not required to carry out the~~
13 ~~statewide implementation of the Michigan kindergarten entry~~
14 ~~observation tool (MKEO), as described in this subsection, for the~~
15 ~~fall of 2020. It is the intent of the legislature to account for~~
16 ~~health, safety, and welfare concerns related to the COVID-19~~
17 ~~pandemic by temporarily suspending the requirement for statewide~~
18 ~~implementation of the Michigan kindergarten entry observation tool~~
19 ~~(MKEO) under this subsection for the fall of 2020. All of the~~
20 following apply to the implementation of the kindergarten entry
21 observation tool under this subsection:

22 (a) The department, in collaboration with all intermediate
23 districts, shall ensure that the Michigan kindergarten entry
24 observation tool is administered in each kindergarten classroom to
25 either the full census of kindergarten pupils enrolled in the
26 classroom or to a representative sample of not less than 35% of the
27 total kindergarten pupils enrolled in each classroom. If a district
28 elects to administer the Michigan kindergarten entry observation
29 tool to a random sample of pupils within each classroom, the

1 district's intermediate district shall select the pupils who will
2 receive the assessment based on the same random method. Beginning
3 in 2021, the observation tool must be administered within 45 days
4 after the start of the school year.

5 (b) The intermediate district that receives funding under this
6 subsection, in collaboration with all other intermediate districts,
7 shall implement a "train the trainer" professional development
8 model on the usage of the Michigan kindergarten entry observation
9 tool. This training model must provide training to intermediate
10 district staff so that they may provide similar training for staff
11 of their constituent districts. This training model must also
12 ensure that the tool produces reliable data and that there are a
13 sufficient number of trainers to train all kindergarten teachers
14 statewide.

15 (c) By March 1, 2022, and each year thereafter, the department
16 and the intermediate district that receives funding under this
17 subsection shall report to the house and senate appropriations
18 subcommittees on ~~state~~-school aid, the house and senate fiscal
19 agencies, and the state budget director on the results of the
20 statewide implementation, including, but not limited to, an
21 evaluation of the demonstrated readiness of kindergarten pupils
22 statewide and the effectiveness of state and federal early
23 childhood programs that are designed for school readiness under
24 this state's authority, including the great start readiness program
25 and the great start readiness/Head Start blended program, as
26 referenced under section 32d. By September 1, 2022, and each year
27 thereafter, the department and the center shall provide a method
28 for districts and public school academies with kindergarten
29 enrollment to look up and verify their student enrollment data for

pupils who were enrolled in a publicly funded early childhood program in the year before kindergarten, including the individual great start readiness program, individual great start readiness/Head Start blended program, individual title I preschool program, individual section 31a preschool program, individual early childhood special education program, or individual developmental kindergarten or program for young 5-year-olds in which each tested child was enrolled. A participating district shall analyze the data to determine whether high-performing children were enrolled in any specific early childhood program and, if so, report that finding to the department and to the intermediate district that receives funding under this subsection.

(d) The department shall approve the language and literacy domain within the Kindergarten Readiness Assessment for use by districts as an initial assessment that may be delivered to all kindergarten pupils to assist with identifying any possible area of concern for a pupil in English language arts.

(e) As used in this subsection:

(i) "Kindergarten" includes a classroom for young 5-year-olds, commonly referred to as "young 5s" or "developmental kindergarten".

(ii) "Representative sample" means a sample capable of producing valid and reliable assessment information on all or major subgroups of kindergarten pupils in a district.

(5) The department may recommend, but may not require, districts to allow pupils to use an external keyboard with tablet devices for online M-STEP testing, including, but not limited to, open-ended test items such as constructed response or equation builder items.

(6) Notwithstanding section 17b, the department shall make

1 payments on behalf of districts, intermediate districts, and other
2 eligible entities under this section on a schedule determined by
3 the department.

4 (7) From the allocation in subsection (1), there is allocated
5 an amount not to exceed \$500,000.00 for ~~2020-2021~~**2021-2022** for the
6 operation of an online reporting tool to provide student-level
7 assessment data in a secure environment to educators, parents, and
8 pupils immediately after assessments are scored. The department and
9 the center shall ensure that any data collected by the online
10 reporting tool do not provide individually identifiable student
11 data to the federal government.

12 (8) In order to receive state aid under this article for 2020-
13 2021, a district shall meet both of the following requirements:

14 (a) Within the first 9 weeks of the 2020-2021 school year, the
15 district shall administer 1 or more benchmark assessments provided
16 by a provider approved under subsection (9), benchmark assessments
17 described in subsection (10), or local benchmark assessments, or
18 any combination thereof, to all pupils in grades K to 8 to measure
19 proficiency in reading and mathematics.

20 (b) In addition to the benchmark assessment or benchmark
21 assessments administered under subdivision (a), by not later than
22 the last day of the 2020-2021 school year, the district shall
23 administer 1 or more benchmark assessments provided by a provider
24 approved under subsection (9), benchmark assessments described in
25 subsection (10), or local benchmark assessments, or any combination
26 thereof, to all pupils in grades K to 8 to measure proficiency in
27 reading and mathematics.

28 (9) The department shall approve at least 4 but not more than
29 5 providers of benchmark assessments for the purposes of subsection

(8). The department shall inform districts of all of the providers approved under this subsection in an equitable manner. The benchmark assessments provided for the purposes of subsection (8) by approved providers under this subsection, with the exclusion of the benchmark assessment described in subsection (14), must meet all of the following:

(a) Be 1 of the most commonly administered benchmark assessments in this state.

(b) Be aligned to the content standards of this state.

(c) Complement the state's summative assessment system.

(d) Be internet-delivered and include a standards-based remote, in-person, or both remote and in-person assessment using a computer-adaptive model to target the instructional level of each pupil.

(e) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(f) Provide immediate feedback to pupils and teachers.

(g) Be nationally normed.

(h) Provide multiple measures of growth and provide for multiple testing opportunities.

(10) A district may administer 1 or more of the following benchmark assessments toward meeting the requirement under subsection (8):

(a) A benchmark assessment in reading for students in grades K to 9 that contains progress monitoring tools and enhanced diagnostic assessments.

(b) A benchmark assessment in math for students in grades K to 8 that contains progress monitoring tools.

(11) To the extent practicable, if a district administers a

1 benchmark assessment or benchmark assessments under this section,
2 the district shall administer the same benchmark assessment or
3 benchmark assessments provided by a provider approved under
4 subsection (9), benchmark assessment or benchmark assessments
5 described in subsection (10), or local benchmark assessment or
6 local benchmark assessments that it administered to pupils in
7 previous school years, as applicable.

8 (12) By not later than June 30, 2021, a district shall send
9 the aggregate district-level data from a benchmark assessment or
10 benchmark assessments, excluding data from a local benchmark
11 assessment or local benchmark assessments, administered under this
12 section to a regional data hub that is part of the Michigan data
13 hub network that shall compile the data and send it to the center.
14 Not later than September 1, 2021, the department and the center
15 shall provide a report to the governor and the senate and house
16 standing committees responsible for education legislation
17 identifying the number and percentage of pupils in this state who
18 are significantly behind grade level as determined by the
19 department and the center based on the data provided to the center
20 under this subsection. The benchmark assessment data under this
21 subsection may also be used to measure pupils' growth based on
22 their performance on state summative assessments to identify
23 districts and schools where pupil achievement has increased or
24 decreased. However, the benchmark assessment data under this
25 subsection must not be utilized for the state accountability
26 system. It is the intent of the legislature that the benchmark
27 assessment data under this subsection be primarily utilized to
28 determine the loss of learning, if any, resulting from the COVID-19
29 pandemic. After the administration of statewide assessments

1 resumes, the department shall also provide a report to the governor
2 and the senate and house standing committees responsible for
3 education legislation identifying the specific pupil groups whose
4 expected trajectory toward grade-level proficiency were most
5 impacted by school closures that occurred pursuant to the COVID-19
6 pandemic.

7 (13) If a district administers a benchmark assessment or
8 benchmark assessments under this section, the district shall
9 provide each pupil's data from the benchmark assessment or
10 benchmark assessments, as available, to the pupil's parent or legal
11 guardian within 30 days of administering the benchmark assessment
12 or benchmark assessments.

13 (14) The department shall make 1 of the benchmark assessments
14 provided by a provider approved under subsection (9) available to
15 districts at no cost to the districts. The benchmark assessment
16 described in this subsection must meet all of the following:

17 (a) Be aligned to the content standards of this state.

18 (b) Complement the state's summative assessment system.

19 (c) Be internet-delivered and include a standards-based
20 assessment.

21 (d) Provide information on pupil achievement with regard to
22 learning content required in a given year or grade span.

23 (e) Provide timely feedback to pupils and teachers.

24 (f) Be nationally normed.

25 (g) Provide information to educators about student growth and
26 allow for multiple testing opportunities.

27 (15) If a local benchmark assessment or local benchmark
28 assessments are administered under subsection (8), the district
29 shall report to the department and the center, in a form and manner

prescribed by the center, the local benchmark assessment or local benchmark assessments that were administered and how that assessment or those assessments measure changes, including any losses, as applicable, in learning, and the district's plan for addressing any losses in learning.

~~(16) From the general fund money appropriated in section 11, there is allocated for 2020-2021 an amount not to exceed \$150,000.00 to a higher education institution or other entity that is not a state governmental entity that has expertise in conducting a study described in this subsection to conduct a study that, at a minimum, accomplishes all of the following:~~

~~(a) Provides for an assessment of the distance-learning programs utilized in this state that were effective at meeting educational goals and attainment.~~

~~(b) Provides for an assessment of how the programs described in subdivision (a) operated.~~

~~(c) Provides for an assessment of the best practices implemented by the programs described in subdivision (a) that should be replicated by schools engaged in distance learning.~~

~~(d) Notes distance-learning models that were ineffective in achieving educational goals.~~

(16) ~~(17)~~ As used in this section:

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

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

(c) "DED-OSERS" means the DED Office of Special Education and Rehabilitative Services.

Sec. 104a. (1) From the federal fund money allocated under section 11n awarded to this state from the governor's emergency

education relief (GEER) fund under the coronavirus response and relief supplemental appropriations act, 2021, division M of Public Law 116-260, there is allocated for 2020-2021 an amount not to exceed \$2,572,000.00, and from the federal fund money allocated under section 11n awarded to this state from the elementary and secondary school emergency relief (ESSER) fund under the coronavirus response and relief supplemental appropriations act, 2021, division M of Public Law 116-260, there is allocated for 2020-2021 an amount not to exceed \$4,949,300.00, and from the state school aid fund money appropriated under section 11, there is allocated for 2020-2021 an amount not to exceed \$4,197,900.00 to districts to begin implementation of a benchmark assessment system for the 2021-2022 school year. All of the following apply to the benchmark assessment system described in this subsection:

(a) The system must provide for all of the following:

(i) That, within the first 9 weeks of the 2021-2022 school year, the district shall administer 1 or more benchmark assessments provided by a provider approved under ~~section 104(9)~~, **subsection (4)**, benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.

(ii) That, in addition to the benchmark assessment or benchmark assessments administered under subparagraph (i), by not later than the last day of the 2021-2022 school year, the district shall administer 1 or more benchmark assessments provided by a provider approved under ~~section 104(9)~~, **subsection (4)**, benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.

1 (b) A district may administer 1 or more of the following
2 benchmark assessments toward meeting the requirements under
3 subdivision (a):

4 (i) A benchmark assessment in reading for students in grades K
5 to 9 that contains progress monitoring tools and enhanced
6 diagnostic assessments.

7 (ii) A benchmark assessment in math for students in grades K to
8 8 that contains progress monitoring tools.

9 (c) The system must provide that, to the extent practicable,
10 if a district administers a benchmark assessment or benchmark
11 assessments under this section, the district shall administer the
12 same benchmark assessment or benchmark assessments provided by a
13 provider approved under ~~section 104(9)~~, **subsection (4)**, benchmark
14 assessment or benchmark assessments described in subdivision (b),
15 or local benchmark assessment or local benchmark assessments that
16 it administered to pupils in previous school years, as applicable.

17 (d) The system must provide that, if a district administers a
18 benchmark assessment or benchmark assessments under this section,
19 the district shall provide each pupil's data from the benchmark
20 assessment or benchmark assessments, as available, to the pupil's
21 parent or legal guardian within 30 days of administering the
22 benchmark assessment or benchmark assessments.

23 (e) The system must provide that, if a local benchmark
24 assessment or local benchmark assessments are administered under
25 subdivision (a), the district shall report to the department and
26 the center, in a form and manner prescribed by the center, the
27 local benchmark assessment or local benchmark assessments that were
28 administered and how that assessment or those assessments measure
29 changes, including any losses, as applicable, in learning, and the

1 district's plan for addressing any losses in learning.

2 (f) The system must provide that, by not later than 30 days
3 after a benchmark assessment or benchmark assessments are
4 administered as described in this subsection, the district shall
5 send benchmark assessment data, excluding data from a local
6 benchmark assessment, as applicable, aggregated by grade level to
7 the department. If available, the data described in this
8 subdivision must include information concerning pupil growth from
9 fall 2020 to fall 2021.

10 (2) To receive funding under this section, a district must
11 apply for the funding in a form and manner prescribed by the
12 department.

13 (3) The department shall pay an amount equal to \$12.50 per
14 membership pupil in grades K to 8 in the district to each district
15 that applies for funding under this section.

16 (4) **The department shall approve at least 5 but not more than**
17 **6 providers of benchmark assessments for the purposes of this**
18 **section. The department shall inform districts of all of the**
19 **providers approved under this subsection in an equitable manner.**
20 **The benchmark assessments provided for the purposes of this section**
21 **by approved providers under this subsection, with the exclusion of**
22 **the benchmark assessment described in subsection (5) or the**
23 **benchmark assessment described in subsection (6), must meet all of**
24 **the following:**

25 (a) Be aligned to the content standards of this state.

26 (b) Complement the state's summative assessment system.

27 (c) Be internet-delivered and include a standards-based
28 remote, in-person, or both remote and in-person assessment using a
29 computer-adaptive model to target the instructional level of each

1 pupil.

2 (d) Provide information on pupil achievement with regard to
3 learning content required in a given year or grade span.

4 (e) Provide immediate feedback to pupils and teachers.

5 (f) Be nationally normed.

6 (g) Provide multiple measures of growth and provide for
7 multiple testing opportunities.

8 (5) ~~(4)~~—The department shall make 1 of the benchmark
9 assessments provided by a provider approved under ~~section 104(9)~~
10 **subsection (4)** available to districts at no cost to the districts
11 for purposes of meeting the requirements under this section. The
12 benchmark assessment described in this subsection must meet all of
13 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 assessment.

18 (d) Provide information on pupil achievement with regard to
19 learning content required in a given year or grade span.

20 (e) Provide timely feedback to pupils and teachers.

21 (f) Be nationally normed.

22 (g) Provide information to educators about student growth and
23 allow for multiple testing opportunities.

24 (6) **The department shall approve at least 1 of the benchmark**
25 **assessments provided by a provider approved under subsection (4)**
26 **that meets all of the following:**

27 (a) **Be aligned to the content standards of this state.**

28 (b) **Complement the state's summative assessment system.**

29 (c) **Be internet-delivered and include a standards-based**

1 remote, in-person, or both remote and in-person assessment using a
 2 computer-adaptive model to target the instructional level of each
 3 pupil.

4 (d) Provide information on pupil achievement with regard to
 5 learning content required in a given year or grade span.

6 (e) Provide immediate feedback to pupils and teachers.

7 (f) Be nationally normed.

8 (g) Provide multiple measures of growth and provide for
 9 multiple testing opportunities.

10 (h) Have the option of providing an oral reading fluency
 11 online assessment.

12 (7) ~~(5)~~—By not later than December 31, 2021, the department
 13 shall submit a report to the house and senate appropriations
 14 committees, the house and senate appropriations subcommittees on
 15 school aid, and the house and senate fiscal agencies regarding the
 16 benchmark assessment data received under this section,
 17 disaggregated by grade level for each district. If information
 18 concerning pupil growth is included in the data described in this
 19 subsection, it must be incorporated in the report described in this
 20 subsection.

21 Sec. 104f. (1) From the ~~general~~**state school aid** fund money
 22 appropriated under section 11, there is allocated an amount not to
 23 exceed \$500,000.00 **to a district** for the implementation of an
 24 assessment digital literacy preparation program for pupils enrolled
 25 in grades K to 8 for ~~2020-2021~~**2021-2022**. The department shall
 26 ensure that a program funded under this subsection satisfies all of
 27 the following:

28 (a) Is available to districts in the ~~2020-2021~~**2021-2022**
 29 school year.

1 (b) Focuses on ensuring pupils have the necessary skills
2 required for state online assessments by assessing pupil digital
3 literacy skill levels and providing teachers with a digital
4 curriculum targeted at areas of determined weakness.

5 (c) Allows pupils to engage with the digital curriculum in an
6 independent or teacher-facilitated modality.

7 (d) Includes training and professional development for
8 teachers.

9 (e) Is implemented in at least 100 districts that operate
10 grades K to 8 and that represent a diverse geography and socio-
11 economic demographic.

12 (2) Funding under subsection (1) must be allocated to a
13 district that did not receive funding under former section 104e for
14 2017-2018 and that operates at least grades K to 8 and has a
15 partnership with a third party that is experienced in the
16 assessment of digital literacy and the preparation of digital
17 literacy skills and has demonstrable experience serving districts
18 in this state and local education agencies in 10 other states. The
19 district, along with its third-party partner, shall provide a
20 report to the house and senate appropriations subcommittees on
21 ~~state~~-school aid and the house and senate fiscal agencies on the
22 efficacy and usefulness of the assessment digital literacy
23 preparation program no later than July 1, ~~2021~~-**2022**.

24 (3) Notwithstanding section 17b, the department shall make
25 payments under subsection (1) by not later than December 1,
26 ~~2020~~-**2021**.

27 Sec. 104g. (1) For the ~~2020-2021~~-**2021-2022** school year only, a
28 district shall make the SAT available in the fall of ~~2020~~-**2021** to
29 pupils who were in grade 11 during the ~~2019-2020~~-**2020-2021** school

1 year and who were not able to take the examination during the ~~2019-~~
2 ~~2020-2020-2021~~ school year.

3 (2) For the ~~2020-2021-2021-2022~~ school year only, a district
4 shall make the PSAT available in the fall of ~~2020-2021~~ to pupils
5 who were in grades 8, 9, and 10 during the ~~2019-2020-2020-2021~~
6 school year and who were not able to take the examination during
7 the ~~2019-2020-2020-2021~~ school year.

8 (3) The examinations offered by a district in subsections (1)
9 and (2) are not considered state summative assessments or the
10 college entrance portion of the Michigan merit examination for the
11 ~~2020-2021-2021-2022~~ school year.

12 (4) Pupils must be encouraged but not required to take the
13 examinations under subsections (1) and (2).

14 Sec. 105. (1) In order to avoid a penalty under this section,
15 and in order to count a nonresident pupil residing within the same
16 intermediate district in membership without the approval of the
17 pupil's district of residence, a district must comply with this
18 section.

19 (2) Except as otherwise provided in this section, a district
20 shall determine whether or not it will accept applications for
21 enrollment by nonresident applicants residing within the same
22 intermediate district for the next school year. If the district
23 determines to accept applications for enrollment of a number of
24 nonresidents, beyond those entitled to preference under this
25 section, the district shall use the following procedures for
26 accepting applications from and enrolling nonresidents:

27 (a) The district shall publish the grades, schools, and
28 special programs, if any, for which enrollment may be available to,
29 and for which applications will be accepted from, nonresident

1 applicants residing within the same intermediate district.

2 (b) If the district has a limited number of positions
3 available for nonresidents residing within the same intermediate
4 district in a grade, school, or program, all of the following apply
5 to accepting applications for and enrollment of nonresidents in
6 that grade, school, or program:

7 (i) The district shall do all of the following not later than
8 the second Friday in August:

9 (A) Provide notice to the general public that applications
10 will be taken for a period of at least 15 calendar days but not
11 more than 30 calendar days from nonresidents residing within the
12 same intermediate district for enrollment in that grade, school, or
13 program. The notice must identify the dates of the application
14 period and the place and manner for submitting applications.

15 (B) During the application period under sub-subparagraph (A),
16 accept applications from nonresidents residing within the same
17 intermediate district for enrollment in that grade, school, or
18 program.

19 (C) Within 15 calendar days after the end of the application
20 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~
21 ~~later than October 13, 2020,~~ using the procedures and preferences
22 required under this section, determine which nonresident applicants
23 will be allowed to enroll in that grade, school, or program, using
24 the random draw system required under subsection ~~(14)~~ **(13)** as
25 necessary, and notify the parent or legal guardian of each
26 nonresident applicant of whether or not the applicant may enroll in
27 the district. The notification to parents or legal guardians of
28 nonresident applicants accepted for enrollment must contain
29 notification of the date by which the applicant must enroll in the

1 district and procedures for enrollment. The date for enrollment
 2 must be no later than the end of the first week of school. ~~or,~~
 3 ~~for 2020-2021 only, not later than October 13, 2020.~~

4 (ii) Beginning on the third Monday in August and not later than
 5 the end of the first week of school, ~~or, for 2020-2021 only, not~~
 6 ~~later than October 13, 2020,~~ if any positions become available in a
 7 grade, school, or program due to accepted applicants failing to
 8 enroll or to more positions being added, the district may enroll
 9 nonresident applicants from the waiting list maintained under
 10 subsection ~~(14),~~ **(13)**, offering enrollment in the order that
 11 applicants appear on the waiting list. If there are still positions
 12 available after enrolling all applicants from the waiting list who
 13 desire to enroll, the district may not fill those positions until
 14 the second semester or trimester enrollment under subsection (3),
 15 as provided under that subsection, or until the next school year.

16 (c) For a grade, school, or program that has an unlimited
 17 number of positions available for nonresidents residing within the
 18 same intermediate district, all of the following apply to
 19 enrollment of nonresidents in that grade, school, or program:

20 (i) The district may accept applications for enrollment in that
 21 grade, school, or program, and may enroll nonresidents residing
 22 within the same intermediate district in that grade, school, or
 23 program until the end of the first week of school. ~~or, for 2020-~~
 24 ~~2021 only, the district may enroll nonresidents residing within the~~
 25 ~~same intermediate district in that grade, school, or program until~~
 26 ~~October 13, 2020 if the application was received by the end of the~~
 27 ~~first week of school.~~ The district shall provide notice to the
 28 general public of the place and manner for submitting applications
 29 and, if the district has a limited application period, the notice

1 must include the dates of the application period. The application
2 period shall be at least a 15-calendar-day period.

3 (ii) Not later than the end of the first week of school, ~~or,~~
4 ~~for 2020-2021 only, not later than October 13, 2020,~~ the district
5 shall notify the parent or legal guardian of each nonresident
6 applicant who is accepted for enrollment that the applicant has
7 been accepted for enrollment in the grade, school, or program and
8 of the procedures for enrollment. The date for enrollment must be
9 no later than the end of the first week of school. ~~or, for 2020-~~
10 ~~2021 only, not later than October 13, 2020.~~

11 (3) If a district determines during the first semester or
12 trimester of a school year that it has positions available for
13 enrollment of a number of nonresidents residing within the same
14 intermediate district, beyond those entitled to preference under
15 this section, for the second semester or trimester of the school
16 year, the district may accept applications from and enroll
17 nonresidents residing within the same intermediate district for the
18 second semester or trimester using the following procedures:

19 (a) Not later than 2 weeks before the end of the first
20 semester or trimester, the district shall publish the grades,
21 schools, and special programs, if any, for which enrollment for the
22 second semester or trimester may be available to, and for which
23 applications will be accepted from, nonresident applicants residing
24 within the same intermediate district.

25 (b) During the last 2 weeks of the first semester or
26 trimester, the district shall accept applications from nonresidents
27 residing within the same intermediate district for enrollment for
28 the second semester or trimester in the available grades, schools,
29 and programs.

1 (c) By the beginning of the second semester or trimester,
2 using the procedures and preferences required under this section,
3 the district shall determine which nonresident applicants will be
4 allowed to enroll in the district for the second semester or
5 trimester and notify the parent or legal guardian of each
6 nonresident applicant residing within the same intermediate
7 district of whether or not the applicant may enroll in the
8 district. The notification to parents or legal guardians of
9 nonresident applicants accepted for enrollment must contain
10 notification of the date by which the applicant must enroll in the
11 district and procedures for enrollment. The date for enrollment
12 must be no later than the end of the first week of school.

13 (4) If deadlines similar to those described in subsection (2)
14 or (3) have been established in an intermediate district, and if
15 those deadlines are not later than the deadlines under subsection
16 (2) or (3), the districts within the intermediate district may use
17 those deadlines.

18 (5) A district offering to enroll nonresident applicants
19 residing within the same intermediate district may limit the number
20 of nonresident pupils it accepts in a grade, school, or program, at
21 its discretion, and may use that limit as the reason for refusal to
22 enroll an applicant.

23 (6) A nonresident applicant residing within the same
24 intermediate district must not be granted or refused enrollment
25 based on intellectual, academic, artistic, or other ability,
26 talent, or accomplishment, or lack thereof, or based on a mental or
27 physical disability, except that a district may refuse to admit a
28 nonresident applicant if the applicant does not meet the same
29 criteria, other than residence, that an applicant who is a resident

1 of the district must meet to be accepted for enrollment in a grade
2 or a specialized, magnet, or intra-district choice school or
3 program to which the applicant applies.

4 (7) A nonresident applicant residing within the same
5 intermediate district must not be granted or refused enrollment
6 based on age, except that a district may refuse to admit a
7 nonresident applicant applying for a program that is not
8 appropriate for the age of the applicant.

9 (8) A nonresident applicant residing within the same
10 intermediate district must not be granted or refused enrollment
11 based upon religion, race, color, national origin, sex, height,
12 weight, marital status, or athletic ability, or, generally, in
13 violation of any state or federal law prohibiting discrimination.

14 (9) Subject to subsection (10), a district may refuse to
15 enroll a nonresident applicant if any of the following are met:

16 (a) The applicant is, or has been within the preceding 2
17 years, suspended from another school.

18 (b) The applicant, at any time before enrolling under this
19 section, has been expelled from another school.

20 (c) The applicant, at any time before enrolling under this
21 section, has been convicted of a felony.

22 (10) If a district has counted a pupil in membership on either
23 the pupil membership count day or the supplemental count day, the
24 district shall not refuse to enroll or refuse to continue to enroll
25 that pupil for a reason specified in subsection (9). This
26 subsection does not prohibit a district from expelling a pupil
27 described in this subsection for disciplinary reasons.

28 (11) A district shall continue to allow a pupil who was
29 enrolled in and attended the district under this section in the

1 school year or semester or trimester immediately preceding the
2 school year or semester or trimester in question to enroll in the
3 district until the pupil graduates from high school. This
4 subsection does not prohibit a district from expelling a pupil
5 described in this subsection for disciplinary reasons.

6 (12) A district shall give preference for enrollment under
7 this section over all other nonresident applicants residing within
8 the same intermediate district to other school-age children who
9 reside in the same household as a pupil described in subsection
10 (11).

11 ~~(13) If a nonresident pupil was enrolled in and attending~~
12 ~~school in a district as a nonresident pupil in the 1995-96 school~~
13 ~~year and continues to be enrolled continuously each school year in~~
14 ~~that district, the district shall allow that nonresident pupil to~~
15 ~~continue to enroll in and attend school in the district until high~~
16 ~~school graduation, without requiring the nonresident pupil to apply~~
17 ~~for enrollment under this section. This subsection does not~~
18 ~~prohibit a district from expelling a pupil described in this~~
19 ~~subsection for disciplinary reasons.~~

20 (13) ~~(14)~~ If the number of qualified nonresident applicants
21 eligible for acceptance in a school, grade, or program does not
22 exceed the positions available for nonresident pupils in the
23 school, grade, or program, the school district shall accept for
24 enrollment all of the qualified nonresident applicants eligible for
25 acceptance. If the number of qualified nonresident applicants
26 residing within the same intermediate district eligible for
27 acceptance exceeds the positions available in a grade, school, or
28 program in a district for nonresident pupils, the district shall
29 use a random draw system, subject to the need to abide by state and

1 federal antidiscrimination laws and court orders and subject to
2 preferences allowed by this section. The district shall develop and
3 maintain a waiting list based on the order in which nonresident
4 applicants were drawn under this random draw system.

5 (14) ~~(15)~~—If a district, or the nonresident applicant,
6 requests the district in which a nonresident applicant resides to
7 supply information needed by the district for evaluating the
8 applicant's application for enrollment or for enrolling the
9 applicant, the district of residence shall provide that information
10 on a timely basis.

11 (15) ~~(16)~~—If a district is subject to a court-ordered
12 desegregation plan, and if the court issues an order prohibiting
13 pupils residing in that district from enrolling in another district
14 or prohibiting pupils residing in another district from enrolling
15 in that district, this section is subject to the court order.

16 (16) ~~(17)~~—This section does not require a district to provide
17 transportation for a nonresident pupil enrolled in the district
18 under this section or for a resident pupil enrolled in another
19 district under this section. However, at the time a nonresident
20 pupil enrolls in the district, a district shall provide to the
21 pupil's parent or legal guardian information on available
22 transportation to and from the school in which the pupil enrolls.

23 (17) ~~(18)~~—A district may participate in a cooperative
24 education program with 1 or more other districts or intermediate
25 districts whether or not the district enrolls any nonresidents
26 under this section.

27 (18) ~~(19)~~—A district that, under this section, enrolls a
28 nonresident pupil who is eligible for special education programs
29 and services according to statute or rule, or who is a child with

~~disabilities, a disability,~~ as **that term is** defined under the individuals with disabilities education act, Public Law 108-446, is considered to be the resident district of the pupil for the purpose of providing the pupil with a free appropriate public education. Consistent with state and federal law, that district is responsible for developing and implementing an individualized education program annually for a nonresident pupil described in this subsection.

(19) ~~(20)~~—If a district does not comply with this section, the district forfeits 5% of the total state school aid allocation to the district under this act.

(20) ~~(21)~~—Upon application by a district, the superintendent may grant a waiver for the district from a specific requirement under this section for not more than 1 year.

Sec. 105c. (1) In order to avoid a penalty under this section, and in order to count a nonresident pupil residing in a district located in a contiguous intermediate district in membership without the approval of the pupil's district of residence, a district must comply with this section.

(2) Except as otherwise provided in this section, a district shall determine whether or not it will accept applications for enrollment by nonresident applicants residing in a district located in a contiguous intermediate district for the next school year. If the district determines to accept applications for enrollment of a number of nonresidents under this section, beyond those entitled to preference under this section, the district shall use the following procedures for accepting applications from and enrolling nonresidents under this section:

(a) The district shall publish the grades, schools, and special programs, if any, for which enrollment may be available to,

1 and for which applications will be accepted from, nonresident
2 applicants residing in a district located in a contiguous
3 intermediate district.

4 (b) If the district has a limited number of positions
5 available for nonresidents residing in a district located in a
6 contiguous intermediate district in a grade, school, or program,
7 all of the following apply to accepting applications for and
8 enrollment of nonresidents under this section in that grade,
9 school, or program:

10 (i) The district shall do all of the following not later than
11 the second Friday in August:

12 (A) Provide notice to the general public that applications
13 will be taken for a period of at least 15 calendar days but not
14 more than 30 calendar days from nonresidents residing in a district
15 located in a contiguous intermediate district for enrollment in
16 that grade, school, or program. The notice must identify the dates
17 of the application period and the place and manner for submitting
18 applications.

19 (B) During the application period under sub-subparagraph (A),
20 accept applications from nonresidents residing in a district
21 located in a contiguous intermediate district for enrollment in
22 that grade, school, or program.

23 (C) Within 15 calendar days after the end of the application
24 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~
25 ~~later than October 13, 2020,~~ using the procedures and preferences
26 required under this section, determine which nonresident applicants
27 will be allowed to enroll under this section in that grade, school,
28 or program, using the random draw system required under subsection
29 (14) as necessary, and notify the parent or legal guardian of each

1 nonresident applicant of whether or not the applicant may enroll in
 2 the district. The notification to parents or legal guardians of
 3 nonresident applicants accepted for enrollment under this section
 4 must contain notification of the date by which the applicant must
 5 enroll in the district and procedures for enrollment. The date for
 6 enrollment must be no later than the end of the first week of
 7 school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

8 (ii) Beginning on the third Monday in August and not later than
 9 the end of the first week of school, ~~or, for 2020-2021 only, not~~
 10 ~~later than October 13, 2020,~~ if any positions become available in a
 11 grade, school, or program due to accepted applicants failing to
 12 enroll or to more positions being added, the district may enroll
 13 nonresident applicants from the waiting list maintained under
 14 subsection (14), offering enrollment in the order that applicants
 15 appear on the waiting list. If there are still positions available
 16 after enrolling all applicants from the waiting list who desire to
 17 enroll, the district may not fill those positions until the second
 18 semester or trimester enrollment under subsection (3), as provided
 19 under that subsection, or until the next school year.

20 (c) For a grade, school, or program that has an unlimited
 21 number of positions available for nonresidents residing in a
 22 district located in a contiguous intermediate district, all of the
 23 following apply to enrollment of nonresidents in that grade,
 24 school, or program under this section:

25 (i) The district may accept applications for enrollment in that
 26 grade, school, or program, and may enroll nonresidents residing in
 27 a district located in a contiguous intermediate district in that
 28 grade, school, or program until the end of the first week of
 29 school. ~~or, for 2020-2021 only, the district may enroll~~

~~nonresidents residing in a district located in a contiguous intermediate district in that grade, school, or program until October 13, 2020 if the application was received by the end of the first week of school.~~ The district shall provide notice to the general public of the place and manner for submitting applications and, if the district has a limited application period, the notice must include the dates of the application period. The application period must be at least a 15-calendar-day period.

(ii) Not later than the end of the first week of school, ~~or, for 2020-2021 only, not later than October 13, 2020,~~ the district shall notify the parent or legal guardian of each nonresident applicant who is accepted for enrollment under this section that the applicant has been accepted for enrollment in the grade, school, or program and of the date by which the applicant must enroll in the district and the procedures for enrollment. The date for enrollment must be no later than the end of the first week of school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

(3) If a district determines during the first semester or trimester of a school year that it has positions available for enrollment of a number of nonresidents residing in a district located in a contiguous intermediate district, beyond those entitled to preference under this section, for the second semester or trimester of the school year, the district may accept applications from and enroll nonresidents residing in a district located in a contiguous intermediate district for the second semester or trimester using the following procedures:

(a) Not later than 2 weeks before the end of the first semester or trimester, the district shall publish the grades, schools, and special programs, if any, for which enrollment for the

1 second semester or trimester may be available to, and for which
2 applications will be accepted from, nonresident applicants residing
3 in a district located in a contiguous intermediate district.

4 (b) During the last 2 weeks of the first semester or
5 trimester, the district shall accept applications from nonresidents
6 residing in a district located in a contiguous intermediate
7 district for enrollment for the second semester or trimester in the
8 available grades, schools, and programs.

9 (c) By the beginning of the second semester or trimester,
10 using the procedures and preferences required under this section,
11 the district shall determine which nonresident applicants will be
12 allowed to enroll under this section in the district for the second
13 semester or trimester and notify the parent or legal guardian of
14 each nonresident applicant residing in a district located in a
15 contiguous intermediate district of whether or not the applicant
16 may enroll in the district. The notification to parents or legal
17 guardians of nonresident applicants accepted for enrollment must
18 contain notification of the date by which the applicant must enroll
19 in the district and procedures for enrollment. The date for
20 enrollment must be no later than the end of the first week of
21 school.

22 (4) If deadlines similar to those described in subsection (2)
23 or (3) have been established in an intermediate district, and if
24 those deadlines are not later than the deadlines under subsection
25 (2) or (3), the districts within the intermediate district may use
26 those deadlines.

27 (5) A district offering to enroll nonresident applicants
28 residing in a district located in a contiguous intermediate
29 district may limit the number of those nonresident pupils it

1 accepts in a grade, school, or program, at its discretion, and may
2 use that limit as the reason for refusal to enroll an applicant
3 under this section.

4 (6) A nonresident applicant residing in a district located in
5 a contiguous intermediate district must not be granted or refused
6 enrollment based on intellectual, academic, artistic, or other
7 ability, talent, or accomplishment, or lack thereof, or based on a
8 mental or physical disability, except that a district may refuse to
9 admit a nonresident applicant under this section if the applicant
10 does not meet the same criteria, other than residence, that an
11 applicant who is a resident of the district must meet to be
12 accepted for enrollment in a grade or a specialized, magnet, or
13 intra-district choice school or program to which the applicant
14 applies.

15 (7) A nonresident applicant residing in a district located in
16 a contiguous intermediate district must not be granted or refused
17 enrollment under this section based on age, except that a district
18 may refuse to admit a nonresident applicant applying for a program
19 that is not appropriate for the age of the applicant.

20 (8) A nonresident applicant residing in a district located in
21 a contiguous intermediate district must not be granted or refused
22 enrollment under this section based upon religion, race, color,
23 national origin, sex, height, weight, marital status, or athletic
24 ability, or, generally, in violation of any state or federal law
25 prohibiting discrimination.

26 (9) Subject to subsection (10), a district may refuse to
27 enroll a nonresident applicant under this section if any of the
28 following are met:

29 (a) The applicant is, or has been within the preceding 2

1 years, suspended from another school.

2 (b) The applicant, at any time before enrolling under this
3 section, has been expelled from another school.

4 (c) The applicant, at any time before enrolling under this
5 section, has been convicted of a felony.

6 (10) If a district has counted a pupil in membership on either
7 the pupil membership count day or the supplemental count day, the
8 district shall not refuse to enroll or refuse to continue to enroll
9 that pupil for a reason specified in subsection (9). This
10 subsection does not prohibit a district from expelling a pupil
11 described in this subsection for disciplinary reasons.

12 (11) A district shall continue to allow a pupil who was
13 enrolled in and attended the district under this section in the
14 school year or semester or trimester immediately preceding the
15 school year or semester or trimester in question to enroll in the
16 district until the pupil graduates from high school. This
17 subsection does not prohibit a district from expelling a pupil
18 described in this subsection for disciplinary reasons.

19 (12) A district shall give preference for enrollment under
20 this section over all other nonresident applicants residing in a
21 district located in a contiguous intermediate district to other
22 school-age children who reside in the same household as a pupil
23 described in subsection (11).

24 (13) If a nonresident pupil was enrolled in and attending
25 school in a district as a nonresident pupil in the 1995-96 school
26 year and continues to be enrolled continuously each school year in
27 that district, the district shall allow that nonresident pupil to
28 continue to enroll in and attend school in the district until high
29 school graduation, without requiring the nonresident pupil to apply

1 for enrollment under this section. This subsection does not
2 prohibit a district from expelling a pupil described in this
3 subsection for disciplinary reasons.

4 (14) If the number of qualified nonresident applicants
5 eligible for acceptance under this section in a school, grade, or
6 program does not exceed the positions available for nonresident
7 pupils under this section in the school, grade, or program, the
8 school district shall accept for enrollment all of the qualified
9 nonresident applicants eligible for acceptance. If the number of
10 qualified nonresident applicants residing in a district located in
11 a contiguous intermediate district eligible for acceptance under
12 this section exceeds the positions available in a grade, school, or
13 program in a district for nonresident pupils, the district shall
14 use a random draw system, subject to the need to abide by state and
15 federal antidiscrimination laws and court orders and subject to
16 preferences allowed by this section. The district shall develop and
17 maintain a waiting list based on the order in which nonresident
18 applicants were drawn under this random draw system.

19 (15) If a district, or the nonresident applicant, requests the
20 district in which a nonresident applicant resides to supply
21 information needed by the district for evaluating the applicant's
22 application for enrollment or for enrolling the applicant under
23 this section, the district of residence shall provide that
24 information on a timely basis.

25 (16) If a district is subject to a court-ordered desegregation
26 plan, and if the court issues an order prohibiting pupils residing
27 in that district from enrolling in another district or prohibiting
28 pupils residing in another district from enrolling in that
29 district, this section is subject to the court order.

1 (17) This section does not require a district to provide
2 transportation for a nonresident pupil enrolled in the district
3 under this section or for a resident pupil enrolled in another
4 district under this section. However, at the time a nonresident
5 pupil enrolls in the district, a district shall provide to the
6 pupil's parent or legal guardian information on available
7 transportation to and from the school in which the pupil enrolls.

8 (18) A district may participate in a cooperative education
9 program with 1 or more other districts or intermediate districts
10 whether or not the district enrolls any nonresidents pursuant to
11 this section.

12 (19) In order for a district or intermediate district to
13 enroll under this section a nonresident pupil who resides in a
14 district located in a contiguous intermediate district and who is
15 eligible for special education programs and services according to
16 statute or rule, or who is a child with disabilities, as defined
17 under the individuals with disabilities education act, Public Law
18 108-446, the enrolling district shall have a written agreement with
19 the resident district of the pupil for the purpose of providing the
20 pupil with a free appropriate public education. The written
21 agreement must include, but is not limited to, an agreement on the
22 responsibility for the payment of the added costs of special
23 education programs and services for the pupil. The written
24 agreement must address how the agreement must be amended in the
25 event of significant changes in the costs or level of special
26 education programs or services required by the pupil.

27 (20) If a district does not comply with this section, the
28 district forfeits 5% of the total state school aid allocation to
29 the district under this act.

1 (21) Upon application by a district, the superintendent may
2 grant a waiver for the district from a specific requirement under
3 this section for not more than 1 year.

4 (22) This section is repealed if the final decision of a court
5 of competent jurisdiction holds that any portion of this section is
6 unconstitutional, ineffective, invalid, or in violation of federal
7 law.

8 (23) As used in this section, "district located in a
9 contiguous intermediate district" means a district located in an
10 intermediate district that is contiguous to the intermediate
11 district in which a pupil's district of residence is located.

12 Sec. 107. (1) From the appropriation in section 11, there is
13 allocated an amount not to exceed \$30,000,000.00 for ~~2020-2021~~
14 **2021-2022** for adult education programs authorized under this
15 section. Except as otherwise provided under subsections (14) and
16 (15), funds allocated under this section are restricted for adult
17 education programs as authorized under this section only. A
18 recipient of funds under this section shall not use those funds for
19 any other purpose.

20 (2) To be eligible for funding under this section, an eligible
21 adult education provider shall employ certificated teachers and
22 qualified administrative staff and shall offer continuing education
23 opportunities for teachers to allow them to maintain certification.

24 (3) To be eligible to be a participant funded under this
25 section, an individual must be enrolled in an adult basic education
26 program, an adult secondary education program, an adult English as
27 a second language program, a high school equivalency test
28 preparation program, or a high school completion program, that
29 meets the requirements of this section, and for which instruction

1 is provided, and the individual must be at least 18 years of age **by**
2 **July 1 of the program year** and the individual's graduating class
3 must have graduated.

4 (4) By April 1 of each fiscal year, the intermediate districts
5 within a prosperity region or subregion shall determine which
6 intermediate district will serve as the prosperity region's or
7 subregion's fiscal agent for the next fiscal year and shall notify
8 the department in a form and manner determined by the department.

9 The department shall approve or disapprove of the prosperity
10 region's or subregion's selected fiscal agent. From the funds
11 allocated under subsection (1), an amount as determined under this
12 subsection is allocated to each intermediate district serving as a
13 fiscal agent for adult education programs in each of the prosperity
14 regions or subregions identified by the department. An intermediate
15 district shall not use more than 5% of the funds allocated under
16 this subsection for administration costs for serving as the fiscal
17 agent. The allocation provided to each intermediate district
18 serving as a fiscal agent ~~is an amount equal to what the~~
19 ~~intermediate district received in 2018-2019.~~ **must be calculated as**
20 **follows:**

21 (a) **Sixty percent of this portion of the funding must be**
22 **distributed based upon the proportion of the state population of**
23 **individuals between the ages of 18 and 24 that are not high school**
24 **graduates that resides in each of the prosperity regions or**
25 **subregions located within the intermediate district, as reported by**
26 **the most recent 5-year estimates from the American Community Survey**
27 **(ACS) from the United States Census Bureau.**

28 (b) **Thirty-five percent of this portion of the funding must be**
29 **distributed based upon the proportion of the state population of**

1 individuals age 25 or older who are not high school graduates that
2 resides in each of the prosperity regions or subregions located
3 within the intermediate district, as reported by the most recent 5-
4 year estimates from the American Community Survey (ACS) from the
5 United States Census Bureau.

6 (c) Five percent of this portion of the funding must be
7 distributed based upon the proportion of the state population of
8 individuals age 18 or older who lack basic English language
9 proficiency that resides in each of the prosperity regions or
10 subregions located within the intermediate district, as reported by
11 the most recent 5-year estimates from the American Community Survey
12 (ACS) from the United States Census Bureau.

13 (5) To be an eligible fiscal agent, an intermediate district
14 must agree to do the following in a form and manner determined by
15 the department:

16 (a) Distribute funds to adult education programs in a
17 prosperity region or subregion as described in this section.

18 (b) Collaborate with the career and educational advisory
19 council, which is an advisory council of the workforce development
20 boards located in the prosperity region or subregion, or its
21 successor, to develop a regional strategy that aligns adult
22 education programs and services into an efficient and effective
23 delivery system for adult education learners, with special
24 consideration for providing contextualized learning and career
25 pathways and addressing barriers to education and employment.

26 (c) Collaborate with the career and educational advisory
27 council, which is an advisory council of the workforce development
28 boards located in the prosperity region or subregion, or its
29 successor, to create a local process and criteria that will

1 identify eligible adult education providers to receive funds
2 allocated under this section based on location, demand for
3 services, past performance, quality indicators as identified by the
4 department, and cost to provide instructional services. The fiscal
5 agent shall determine all local processes, criteria, and provider
6 determinations. However, the local processes, criteria, and
7 provider services must be approved by the department before funds
8 may be distributed to the fiscal agent.

9 (d) Provide oversight to its adult education providers
10 throughout the program year to ensure compliance with the
11 requirements of this section.

12 (e) Report adult education program and participant data and
13 information as prescribed by the department.

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

18 (a) The program enrolls adults who are determined by a
19 department-approved assessment, in a form and manner prescribed by
20 the department, to be below twelfth grade level in reading or
21 mathematics, or both, or to lack basic English proficiency.

22 (b) The program tests individuals for eligibility under
23 subdivision (a) before enrollment and upon completion of the
24 program in compliance with the state-approved assessment policy.

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

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

29 (ii) The participant fails to show progress on 2 successive

1 assessments after having completed at least 450 hours of
2 instruction.

3 (d) A participant in an adult secondary education program is
4 eligible for reimbursement until 1 of the following occurs:

5 (i) The participant's reading and mathematics proficiency are
6 assessed above the twelfth grade level.

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

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

12 (i) The participant is assessed as having attained basic
13 English proficiency as determined by a department-approved
14 assessment.

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

20 (7) A high school equivalency test preparation program
21 operated on a year-round or school year basis may be funded under
22 this section, subject to all of the following:

23 (a) The program enrolls adults who do not have a high school
24 diploma or a high school equivalency certificate.

25 (b) The program administers a pre-test approved by the
26 department before enrolling an individual to determine the
27 individual's literacy levels, administers a high school equivalency
28 practice test to determine the individual's potential for success
29 on the high school equivalency test, and administers a post-test

1 upon completion of the program in compliance with the state-
2 approved assessment policy.

3 (c) A funding recipient receives funding according to
4 subsection (9) for a participant, and a participant may be enrolled
5 in the program until 1 of the following occurs:

6 (i) The participant achieves a high school equivalency
7 certificate.

8 (ii) The participant fails to show progress on 2 successive
9 department-approved assessments used to determine readiness to take
10 a high school equivalency test after having completed at least 450
11 hours of instruction.

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

15 (a) The program enrolls adults who do not have a high school
16 diploma.

17 (b) The program tests participants described in subdivision
18 (a) before enrollment and upon completion of the program in
19 compliance with the state-approved assessment policy.

20 (c) A funding recipient receives funding according to
21 subsection (9) for a participant in a course offered under this
22 subsection until 1 of the following occurs:

23 (i) The participant passes the course and earns a high school
24 diploma.

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

28 (9) The department shall make payments to a funding recipient
29 under this section in accordance with all of the following:

1 (a) Statewide allocation criteria, including 3-year average
2 enrollments, census data, and local needs.

3 (b) Participant completion of the adult basic education
4 objectives by achieving an educational gain as determined by the
5 national reporting system levels; for achieving basic English
6 proficiency, as determined by the department; for achieving a high
7 school equivalency certificate or passage of 1 or more individual
8 high school equivalency tests; for attainment of a high school
9 diploma or passage of a course required for a participant to attain
10 a high school diploma; for enrollment in a postsecondary
11 institution, or for entry into or retention of employment, as
12 applicable.

13 (c) Participant completion of core indicators as identified in
14 the innovation and opportunity act.

15 (d) Allowable expenditures.

16 (10) A person who is not eligible to be a participant funded
17 under this section may receive adult education services upon the
18 payment of tuition. In addition, a person who is not eligible to be
19 served in a program under this section due to the program
20 limitations specified in subsection (6), (7), or (8) may continue
21 to receive adult education services in that program upon the
22 payment of tuition. The local or intermediate district conducting
23 the program shall determine the tuition amount.

24 (11) An individual who is an inmate in a state correctional
25 facility is not counted as a participant under this section.

26 (12) A funding recipient shall not commingle money received
27 under this section or from another source for adult education
28 purposes with any other funds and shall establish a separate ledger
29 account for funds received under this section. This subsection does

1 not prohibit a district from using general funds of the district to
2 support an adult education or community education program.

3 (13) A funding recipient receiving funds under this section
4 may establish a sliding scale of tuition rates based upon a
5 participant's family income. A funding recipient may charge a
6 participant tuition to receive adult education services under this
7 section from that sliding scale of tuition rates on a uniform
8 basis. The amount of tuition charged per participant must not
9 exceed the actual operating cost per participant minus any funds
10 received under this section per participant. A funding recipient
11 may not charge a participant tuition under this section if the
12 participant's income is at or below 200% of the federal poverty
13 guidelines published by the United States Department of Health and
14 Human Services.

15 (14) In order to receive funds under this section, a funding
16 recipient shall furnish to the department, in a form and manner
17 determined by the department, all information needed to administer
18 this program and meet federal reporting requirements; shall allow
19 the department or the department's designee to review all records
20 related to the program for which it receives funds; and shall
21 reimburse the state for all disallowances found in the review, as
22 determined by the department. In addition, a funding recipient
23 shall agree to pay to a career and technical education program
24 under section 61a the amount of funding received under this section
25 in the proportion of career and technical education coursework used
26 to satisfy adult basic education programming, as billed to the
27 funding recipient by programs operating under section 61a. In
28 addition to the funding allocated under subsection (1), there is
29 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed

\$500,000.00 to reimburse funding recipients for administrative and instructional expenses associated with commingling programming under this section and section 61a. The department shall make payments under this subsection to each funding recipient in the same proportion as funding calculated and allocated under subsection (4).

(15) From the amount appropriated in subsection (1), an amount not to exceed \$4,000,000.00 is allocated for ~~2020-2021~~**2021-2022** for grants to adult education or state-approved career technical center programs that connect adult education participants with employers as provided under this subsection. The department shall determine the amount of the grant to each program under this subsection, not to exceed \$350,000.00. To be eligible for funding under this subsection, a program must provide a collaboration linking adult education programs within the county, the area career technical center, **a state-approved Michigan Training Connect program**, and local employers. ~~To~~**Subject to subsection (18)**, to receive funding under this subsection, an eligible program must satisfy all of the following:

(a) Connect adult education participants directly with employers by linking adult education, career and technical skills, and workforce development.

(b) Require adult education staff to work with Michigan Works! agency to identify a cohort of participants who are most prepared to successfully enter the workforce. Except as otherwise provided under this subdivision, participants identified under this subsection must be dually enrolled in adult education programming and in at least 1 state-approved **high-demand** technical course at the area career and technical center ~~. A program that links~~

~~participants identified under this subsection with adult education programming and commercial driver license courses does not need to enroll the participants in at least 1 state-approved technical course at the area career and technical center to be considered an eligible program under this subsection.~~ **or in a high-demand state-approved Michigan Training Connect program.**

(c) Employ an individual staffed as an adult education navigator who will serve as a caseworker for each participant identified under subdivision (b). The navigator shall work with adult education staff and potential employers to design an educational program best suited to the personal and employment needs of the participant and shall work with human service agencies or other entities to address any barrier in the way of participant access.

(16) Each program funded under subsection (15) will receive funding for 3 years. After 3 years of operations and funding, a program must reapply for funding.

(17) Not later than December 1 of each year, a program funded under subsection (15) shall provide a report to the senate and house appropriations subcommittees on school aid, to the senate and house fiscal agencies, and to the state budget director identifying the number of participants, graduation rates, and a measure of transition to employment.

~~(18) It is the intent of the legislature to implement a phased-in cap on the percentage of adult education participants under subsection (15) that may already have a high school diploma or a high school equivalency certificate at the time of enrollment.~~ **Except as otherwise provided in this subsection, participants under subsection (15) must be concurrently enrolled**

1 and actively working toward obtaining a high school diploma or a
 2 high school equivalency certificate. Concurrent enrollment is not
 3 required under this subsection for a participant that was enrolled
 4 in adult education during the same program year and obtained a high
 5 school diploma or a high school equivalency certificate prior to
 6 enrollment in an eligible career and technical skills program under
 7 subsection (15). Up to 25% of adult education participants served
 8 under subsection (15) may already have a high school diploma or a
 9 high school equivalency certificate at the time of enrollment in an
 10 eligible career and technical skills program under subsection (15)
 11 and receive remediation services. It is intended that the cap
 12 described in the immediately preceding sentence is continually
 13 lowered on an annual basis until it eventually is 0%.

14 (19) The department shall approve at least 3 high school
 15 equivalency tests and determine whether a high school equivalency
 16 certificate meets the requisite standards for high school
 17 equivalency in this state.

18 (20) As used in this section:

19 (a) "Career and educational advisory council" means an
 20 advisory council to the local workforce development boards located
 21 in a prosperity region consisting of educational, employer, labor,
 22 and parent representatives.

23 (b) "Career pathway" means a combination of rigorous and high-
 24 quality education, training, and other services that comply with
 25 all of the following:

26 (i) Aligns with the skill needs of industries in the economy of
 27 this state or in the regional economy involved.

28 (ii) Prepares an individual to be successful in any of a full
 29 range of secondary or postsecondary education options, including

1 apprenticeships registered under the act of August 16, 1937,
 2 ~~(commonly known as the "national apprenticeship act")~~, **commonly**
 3 **referred to as the national apprenticeship act**, 29 USC 50 et seq.

4 (iii) Includes counseling to support an individual in achieving
 5 the individual's education and career goals.

6 (iv) Includes, as appropriate, education offered concurrently
 7 with and in the same context as workforce preparation activities
 8 and training for a specific occupation or occupational cluster.

9 (v) Organizes education, training, and other services to meet
 10 the particular needs of an individual in a manner that accelerates
 11 the educational and career advancement of the individual to the
 12 extent practicable.

13 (vi) Enables an individual to attain a secondary school diploma
 14 or its recognized equivalent, and at least 1 recognized
 15 postsecondary credential.

16 (vii) Helps an individual enter or advance within a specific
 17 occupation or occupational cluster.

18 (c) "Department" means the department of labor and economic
 19 opportunity.

20 (d) "Eligible adult education provider" means a district,
 21 intermediate district, a consortium of districts, a consortium of
 22 intermediate districts, or a consortium of districts and
 23 intermediate districts that is identified as part of the local
 24 process described in subsection (5)(c) and approved by the
 25 department.

26 Sec. 147. (1) The allocation for ~~2020-2021~~**2021-2022** for the
 27 public school employees' retirement system pursuant to the public
 28 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
 29 to 38.1437, is made using the individual projected benefit entry

1 age normal cost method of valuation and risk assumptions adopted by
2 the public school employees retirement board and the department of
3 technology, management, and budget.

4 (2) The annual level percentage of payroll contribution rates
5 for the ~~2020-2021~~**-2021-2022** fiscal year, as determined by the
6 retirement system, are estimated as follows:

7 (a) For public school employees who first worked for a public
8 school reporting unit before July 1, 2010 and who are enrolled in
9 the health premium subsidy, the annual level percentage of payroll
10 contribution rate is estimated at ~~42.72%~~**43.28%** with ~~28.21%~~**28.23%**
11 paid directly by the employer.

12 (b) For public school employees who first worked for a public
13 school reporting unit on or after July 1, 2010 and who are enrolled
14 in the health premium subsidy, the annual level percentage of
15 payroll contribution rate is estimated at ~~39.76%~~**40.36%** with ~~25.25%~~
16 **25.31%** paid directly by the employer.

17 (c) For public school employees who first worked for a public
18 school reporting unit on or after July 1, 2010 and who participate
19 in the personal healthcare fund, the annual level percentage of
20 payroll contribution rate is estimated at ~~38.90%~~**39.50%** with ~~24.39%~~
21 **24.45%** paid directly by the employer.

22 (d) For public school employees who first worked for a public
23 school reporting unit on or after September 4, 2012, who elect
24 defined contribution, and who participate in the personal
25 healthcare fund, the annual level percentage of payroll
26 contribution rate is estimated at ~~35.47%~~**36.01%** with 20.96% paid
27 directly by the employer.

28 (e) For public school employees who first worked for a public
29 school reporting unit before July 1, 2010, who elect defined

1 contribution, and who are enrolled in the health premium subsidy,
2 the annual level percentage of payroll contribution rate is
3 estimated at ~~36.33%~~ **36.87%** with 21.82% paid directly by the
4 employer.

5 (f) For public school employees who first worked for a public
6 school reporting unit before July 1, 2010, who elect defined
7 contribution, and who participate in the personal healthcare fund,
8 the annual level percentage of payroll contribution rate is
9 estimated at ~~35.47%~~ **36.01%** with 20.96% paid directly by the
10 employer.

11 (g) For public school employees who first worked for a public
12 school reporting unit before July 1, 2010 and who participate in
13 the personal healthcare fund, the annual level percentage of
14 payroll contribution rate is estimated at ~~41.86%~~ **42.42%** with ~~27.35%~~
15 **27.37%** paid directly by the employer.

16 (h) For public school employees who first worked for a public
17 school reporting unit after January 31, 2018 and who elect to
18 become members of the MPSERS plan, the annual level percentage of
19 payroll contribution rate is estimated at ~~41.67%~~ **42.21%** with 27.16%
20 paid directly by the employer.

21 (3) In addition to the employer payments described in
22 subsection (2), the employer shall pay the applicable contributions
23 to the Tier 2 plan, as determined by the public school employees
24 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

25 (4) The contribution rates in subsection (2) reflect an
26 amortization period of ~~18~~ **17** years for ~~2020-2021~~ **2021-2022**. The
27 public school employees' retirement system board shall notify each
28 district and intermediate district by February 28 of each fiscal
29 year of the estimated contribution rate for the next fiscal year.

1 Sec. 147a. (1) From the appropriation in section 11, there is
2 allocated for ~~2020-2021-2021-2022~~ an amount not to exceed
3 \$100,000,000.00 for payments to participating districts. A
4 participating district that receives money under this subsection
5 shall use that money solely for the purpose of offsetting a portion
6 of the retirement contributions owed by the district for the fiscal
7 year in which it is received. The amount allocated to each
8 participating district under this subsection is based on each
9 participating district's percentage of the total statewide payroll
10 for all participating districts for the immediately preceding
11 fiscal year. As used in this subsection, "participating district"
12 means a district that is a reporting unit of the Michigan public
13 school employees' retirement system under the public school
14 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
15 38.1437, and that reports employees to the Michigan public school
16 employees' retirement system for the applicable fiscal year.

17 (2) In addition to the allocation under subsection (1), from
18 the state school aid fund money appropriated under section 11,
19 there is allocated an amount not to exceed ~~\$155,136,000.00~~
20 **\$177,400,000.00** for ~~2020-2021-2021-2022~~ for payments to
21 participating districts and intermediate districts and from the
22 general fund money appropriated under section 11, there is
23 allocated an amount not to exceed ~~\$70,000.00-\$60,000.00~~ for ~~2020-~~
24 ~~2021-2021-2022~~ for payments to participating district libraries.
25 The amount allocated to each participating entity under this
26 subsection is based on each participating entity's reported
27 quarterly payroll for members that became tier 1 prior to February
28 1, 2018 for the current fiscal year. A participating entity that
29 receives money under this subsection shall use that money solely

1 for the purpose of offsetting a portion of the normal cost
2 contribution rate. As used in this subsection:

3 (a) "District library" means a district library established
4 under the district library establishment act, 1989 PA 24, MCL
5 397.171 to 397.196.

6 (b) "Participating entity" means a district, intermediate
7 district, or district library that is a reporting unit of the
8 Michigan public school employees' retirement system under the
9 public school employees retirement act of 1979, 1980 PA 300, MCL
10 38.1301 to 38.1437, and that reports employees to the Michigan
11 public school employees' retirement system for the applicable
12 fiscal year.

13 Sec. 147b. (1) The MPSEERS retirement obligation reform reserve
14 fund is created as a separate account within the state school aid
15 fund.

16 (2) The state treasurer may receive money or other assets from
17 any source for deposit into the MPSEERS retirement obligation reform
18 reserve fund. The state treasurer shall direct the investment of
19 the MPSEERS retirement obligation reform reserve fund. The state
20 treasurer shall credit to the MPSEERS retirement obligation reform
21 reserve fund interest and earnings from the MPSEERS retirement
22 obligation reform reserve fund.

23 (3) Money available in the MPSEERS retirement obligation reform
24 reserve fund shall not be expended without a specific
25 appropriation.

26 (4) Money in the MPSEERS retirement obligation reform reserve
27 fund at the close of the fiscal year ~~shall remain in the MPSEERS~~
28 ~~retirement obligation reform reserve fund and shall not lapse~~
29 **lapses** to the state school aid fund. ~~or to the general fund.~~ The

1 department of treasury shall be the administrator of the MPSERS
2 retirement obligation reform reserve fund for auditing purposes.

3 Sec. 147c. From the state school aid fund money appropriated
4 in section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
5 not to exceed ~~\$1,219,300,000.00~~**\$1,328,500,000.00** for payments to
6 districts and intermediate districts that are participating
7 entities of the Michigan public school employees' retirement
8 system. In addition, from the general fund money appropriated in
9 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
10 not to exceed \$500,000.00 for payments to district libraries that
11 are participating entities of the Michigan public school employees'
12 retirement system. All of the following apply to funding under this
13 subsection:

14 (a) For ~~2020-2021~~**2021-2022**, the amounts allocated under this
15 subsection are estimated to provide an average MPSERS rate cap per
16 pupil amount of ~~\$827.00~~**\$911.00** and are estimated to provide a rate
17 cap per pupil for districts ranging between \$5.00 and
18 ~~\$4,000.00~~**\$4,200.00**.

19 (b) Payments made under this subsection are equal to the
20 difference between the unfunded actuarial accrued liability
21 contribution rate as calculated pursuant to section 41 of the
22 public school employees retirement act of 1979, 1980 PA 300, MCL
23 38.1341, as calculated without taking into account the maximum
24 employer rate of 20.96% included in section 41 of the public school
25 employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the
26 maximum employer rate of 20.96% included in section 41 of the
27 public school employees retirement act of 1979, 1980 PA 300, MCL
28 38.1341.

29 (c) The amount allocated to each participating entity under

1 this subsection is based on each participating entity's proportion
2 of the total covered payroll for the immediately preceding fiscal
3 year for the same type of participating entities. A participating
4 entity that receives funds under this subsection shall use the
5 funds solely for the purpose of retirement contributions as
6 specified in subdivision (d).

7 (d) Each participating entity receiving funds under this
8 subsection shall forward an amount equal to the amount allocated
9 under subdivision (c) to the retirement system in a form, manner,
10 and time frame determined by the retirement system.

11 (e) Funds allocated under this subsection should be considered
12 when comparing a district's growth in total state aid funding from
13 1 fiscal year to the next.

14 (f) Not later than December 20, ~~2020~~, **2021**, the department
15 shall publish and post on its website an estimated MPSERS rate cap
16 per pupil for each district.

17 (g) The office of retirement services shall first apply funds
18 allocated under this subsection to pension contributions and, if
19 any funds remain after that payment, shall apply those remaining
20 funds to other postemployment benefit contributions.

21 (h) As used in this section:

22 (i) "District library" means a district library established
23 under the district library establishment act, 1989 PA 24, MCL
24 397.171 to 397.196.

25 (ii) "MPSERS rate cap per pupil" means an amount equal to the
26 quotient of the district's payment under this subsection divided by
27 the district's pupils in membership.

28 (iii) "Participating entity" means a district, intermediate
29 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.

(iv) "Retirement board" means the board that administers the retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(v) "Retirement system" means 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.

Sec. 147e. (1) From the appropriation in section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed ~~\$51,400,000.00~~**\$65,300,000.00** from the state school aid fund for payments to participating entities.

(2) The payment to each participating entity under this section is the sum of the amounts under this subsection as follows:

(a) An amount equal to the contributions made by a participating entity for the additional contribution made to a qualified participant's Tier 2 account in an amount equal to the contribution made by the qualified participant not to exceed 3% of the qualified participant's compensation as provided for under section 131(6) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1431.

(b) Beginning October 1, 2017, an amount equal to the contributions made by a participating entity for a qualified participant who is only a Tier 2 qualified participant under section 81d of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning

1 February 1, 2018, not to exceed 1%, of the qualified participant's
2 compensation.

3 (c) An amount equal to the increase in employer normal cost
4 contributions under section 41b(2) of the public school employees
5 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
6 that was hired after February 1, 2018 and chose to participate in
7 Tier 1, compared to the employer normal cost contribution for a
8 member under section 41b(1) of the public school employees
9 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

10 (3) As used in this section:

11 (a) "Member" means that term as defined under the public
12 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
13 to 38.1437.

14 (b) "Participating entity" means a district, intermediate
15 district, or community college that is a reporting unit of the
16 Michigan public school employees' retirement system under the
17 public school employees retirement act of 1979, 1980 PA 300, MCL
18 38.1301 to 38.1437, and that reports employees to the Michigan
19 public school employees' retirement system for the applicable
20 fiscal year.

21 (c) "Qualified participant" means that term as defined under
22 section 124 of the public school employees retirement act of 1979,
23 1980 PA 300, MCL 38.1424.

24 Sec. 152a. (1) As required by the court in the consolidated
25 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from
26 the state school aid fund money appropriated in section 11, there
27 is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed
28 \$38,000,500.00 to be used solely for the purpose of paying
29 necessary costs related to the state-mandated collection,

1 maintenance, and reporting of data to this state.

2 (2) From the allocation in subsection (1), the department
3 shall make payments to districts and intermediate districts in an
4 equal amount per-pupil based on the total number of pupils in
5 membership in each district and intermediate district. The
6 department shall not make any adjustment to these payments after
7 the final installment payment under section 17b is made.

8 Sec. 152b. (1) From the general fund money appropriated under
9 section 11, there is allocated ~~an amount not to exceed~~
10 ~~\$2,500,000.00 for 2017-2018 and an amount not to exceed \$250,000.00~~
11 ~~for 2018-2019~~ **2021-2022** to reimburse actual costs incurred by
12 nonpublic schools in complying with a health, safety, or welfare
13 requirement mandated by a law or administrative rule of this state.

14 (2) By January 1 of each applicable fiscal year, the
15 department shall publish a form for reporting actual costs incurred
16 by a nonpublic school in complying with a health, safety, or
17 welfare requirement mandated under state law containing each
18 health, safety, or welfare requirement mandated by a law or
19 administrative rule of this state applicable to a nonpublic school
20 and with a reference to each relevant provision of law or
21 administrative rule for the requirement. The form shall be posted
22 on the department's website in electronic form.

23 (3) By June 30 of each applicable fiscal year, a nonpublic
24 school seeking reimbursement for actual costs incurred in complying
25 with a health, safety, or welfare requirement under a law or
26 administrative rule of this state during each applicable school
27 year shall submit a completed form described in subsection (2) to
28 the department. This section does not require a nonpublic school to
29 submit a form described in subsection (2). A nonpublic school is

1 not eligible for reimbursement under this section if the nonpublic
2 school does not submit the form described in subsection (2) in a
3 timely manner.

4 (4) By August 15 of each applicable fiscal year, the
5 department shall distribute funds to each nonpublic school that
6 submits a completed form described under subsection (2) in a timely
7 manner. The superintendent shall determine the amount of funds to
8 be paid to each nonpublic school in an amount that does not exceed
9 the nonpublic school's actual costs in complying with a health,
10 safety, or welfare requirement under a law or administrative rule
11 of this state. The superintendent shall calculate a nonpublic
12 school's actual cost in accordance with this section.

13 (5) If the funds allocated under this section are insufficient
14 to fully fund payments as otherwise calculated under this section,
15 the department shall distribute funds under this section on a
16 prorated or other equitable basis as determined by the
17 superintendent.

18 (6) The department may review the records of a nonpublic
19 school submitting a form described in subsection (2) only for the
20 limited purpose of verifying the nonpublic school's compliance with
21 this section. If a nonpublic school does not allow the department
22 to review records under this subsection, the nonpublic school is
23 not eligible for reimbursement under this section.

24 (7) The funds appropriated under this section are for purposes
25 related to education, are considered to be incidental to the
26 operation of a nonpublic school, are noninstructional in character,
27 and are intended for the public purpose of ensuring the health,
28 safety, and welfare of the children in nonpublic schools and to
29 reimburse nonpublic schools for costs described in this section.

1 (8) Funds allocated under this section are not intended to aid
2 or maintain any nonpublic school, support the attendance of any
3 student at a nonpublic school, employ any person at a nonpublic
4 school, support the attendance of any student at any location where
5 instruction is offered to a nonpublic school student, or support
6 the employment of any person at any location where instruction is
7 offered to a nonpublic school student.

8 (9) For purposes of this section, "actual cost" means the
9 hourly wage for the employee or employees performing a task or
10 tasks required to comply with a health, safety, or welfare
11 requirement under a law or administrative rule of this state
12 identified by the department under subsection (2) and is to be
13 calculated in accordance with the form published by the department
14 under subsection (2), which shall include a detailed itemization of
15 costs. The nonpublic school shall not charge more than the hourly
16 wage of its lowest-paid employee capable of performing a specific
17 task regardless of whether that individual is available and
18 regardless of who actually performs a specific task. Labor costs
19 under this subsection shall be estimated and charged in increments
20 of 15 minutes or more, with all partial time increments rounded
21 down. When calculating costs under subsection (4), fee components
22 shall be itemized in a manner that expresses both the hourly wage
23 and the number of hours charged. The nonpublic school may not
24 charge any applicable labor charge amount to cover or partially
25 cover the cost of health or fringe benefits. A nonpublic school
26 shall not charge any overtime wages in the calculation of labor
27 costs.

28 (10) For the purposes of this section, the actual cost
29 incurred by a nonpublic school for taking daily student attendance

1 shall be considered an actual cost in complying with a health,
2 safety, or welfare requirement under a law or administrative rule
3 of this state. Training fees, inspection fees, and criminal
4 background check fees are considered actual costs in complying with
5 a health, safety, or welfare requirement under a law or
6 administrative rule of this state.

7 (11) The funds allocated under this section for 2017-2018 are
8 a work project appropriation, and any unexpended funds for 2017-
9 2018 are carried forward into 2018-2019. The purpose of the work
10 project is to continue to reimburse nonpublic schools for actual
11 costs incurred in complying with a health, safety, or welfare
12 requirement mandated by a law or administrative rule of this state.
13 The estimated completion date of the work project is September 30,
14 ~~2020-2023~~.

15 (12) The funds allocated under this section for 2018-2019 are
16 a work project appropriation, and any unexpended funds for 2018-
17 2019 are carried forward into 2019-2020. The purpose of the work
18 project is to continue to reimburse nonpublic schools for actual
19 costs incurred in complying with a health, safety, or welfare
20 requirement mandated by a law or administrative rule of this state.
21 The estimated completion date of the work project is September 30,
22 ~~2020-2023~~.

23 (13) **The funds allocated under this section for 2021-2022 are**
24 **a work project appropriation, and any unexpended funds for 2021-**
25 **2022 are carried forward into 2022-2023. The purpose of the work**
26 **project is to continue to reimburse nonpublic schools for actual**
27 **costs incurred in complying with a health, safety, or welfare**
28 **requirement mandated by a law or administrative rule of this state.**
29 **The estimated completion date of the work project is September 30,**

1 2024.

2 Sec. 167c. (1) From the state school aid fund money
3 appropriated under section 11, there is allocated for 2021-2022 an
4 amount not to exceed \$25,000.00 for drowning-prevention education
5 as provided under this section.

6 (2) The department shall award funds allocated under this
7 section to districts to support presentations by the Great Lakes
8 Surf Rescue Project. The amount of a grant to a district under this
9 section must not exceed \$500.00 for each day of presentations and
10 education as described in this subsection, with not more than a
11 total of \$1,500.00 provided to each district for drowning-
12 prevention education under this section.

13 (3) The department shall make grant awards under this section
14 on a first-come, first-served basis until funds are depleted.

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

18 Enacting section 1. In accordance with section 30 of article
19 IX of the state constitution of 1963, total state spending on
20 school aid under article I of the state school aid act of 1979,
21 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2020 PA 165,
22 2021 PA 3, and this amendatory act, from state sources for fiscal
23 year 2020-2021 is estimated at \$13,819,578,600.00 and state
24 appropriations for school aid to be paid to local units of
25 government for fiscal year 2020-2021 are estimated at
26 \$13,504,281,500.00. In accordance with section 30 of article IX of
27 the state constitution of 1963, total state spending on school aid
28 under article I of the state school aid act of 1979, 1979 PA 94,
29 MCL 388.1601 to 388.1772, as amended by this amendatory act, from

1 state sources for fiscal year 2021-2022 is estimated at
2 \$13,953,034,700.00 and state appropriations for school aid to be
3 paid to local units of government for fiscal year 2021-2022 are
4 estimated at \$13,772,159,900.00.

5 Enacting section 2. Sections 11d, 11p, 11q, 25j, 29a, 31k,
6 61c, 91a, 91c, 104d, 105b, and 166 of the state school aid act of
7 1979, 1979 PA 94, MCL 388.1611d, 388.1611p, 388.1611q, 388.1625j,
8 388.1629a, 388.1631k, 388.1661c, 388.1691a, 388.1691c, 388.1704d,
9 388.1705b, and 388.1766, are repealed effective October 1, 2021.

10 Enacting section 3. (1) Except as otherwise provided in
11 subsection (2), this amendatory act takes effect October 1, 2021.

12 (2) Sections 6(8), 6a, 11, 11m, 22a, 22b, 24, 26c, 29a, 31d,
13 31f, 39, 39a, 51a, 56, 62, 81, 98b, and 104a, as amended by this
14 amendatory act, take effect upon enactment of this amendatory act.