

# SENATE BILL NO. 801

January 12, 2022, Introduced by Senators LASATA, HORN and WOZNIAK and referred to the Committee on Appropriations.

A bill to amend 1979 PA 94, entitled  
"The state school aid act of 1979,"  
by amending sections 3 and 11 (MCL 388.1603 and 388.1611), section  
3 as amended by 2020 PA 165 and section 11 as amended by 2021 PA  
48, and by adding section 78.

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

1       Sec. 3. (1) "Average daily attendance", for the purposes of  
2       complying with federal law, means 92% of the pupils counted in  
3       membership on the pupil membership count day, as defined in section  
4       6(7).

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

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

5           (4) "Community district" means a school district organized  
6 under part 5b of the revised school code.

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

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

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

21           (8) "District of residence", except as otherwise provided in  
22 this subsection, means the district in which a pupil's custodial  
23 parent or parents or legal guardian resides. For a pupil described  
24 in section 24b, the pupil's district of residence is the district  
25 in which the pupil enrolls under that section. For a pupil  
26 described in section 6(4)(d), the pupil's district of residence is  
27 considered to be the district or intermediate district in which the  
28 pupil is counted in membership under that section. For a pupil  
29 under court jurisdiction who is placed outside the district in

1 which the pupil's custodial parent or parents or legal guardian  
 2 resides, the pupil's district of residence is considered to be the  
 3 educating district or educating intermediate district.

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

6 Sec. 11. (1) ~~For the fiscal year ending September 30, 2021,~~  
 7 ~~there is appropriated for the public schools of this state and~~  
 8 ~~certain other state purposes relating to education the sum of~~  
 9 ~~\$13,715,807,900.00 from the state school aid fund, the sum of~~  
 10 ~~\$54,464,600.00 from the general fund, an amount not to exceed~~  
 11 ~~\$79,800,000.00 from the community district education trust fund~~  
 12 ~~created under section 12 of the Michigan trust fund act, 2000 PA~~  
 13 ~~489, MCL 12.262, and an amount not to exceed \$100.00 from the water~~  
 14 ~~emergency reserve fund.~~ For the fiscal year ending September 30,  
 15 2022, there is appropriated for the public schools of this state  
 16 and certain other state purposes relating to education the sum of  
 17 ~~\$14,797,232,100.00~~ **\$14,798,232,100.00** from the state school aid  
 18 fund, the sum of \$85,400,000.00 from the general fund, an amount  
 19 not to exceed \$72,000,000.00 from the community district education  
 20 trust fund created under section 12 of the Michigan trust fund act,  
 21 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from  
 22 the water emergency reserve fund. In addition, all available  
 23 federal funds are only appropriated as allocated in this article  
 24 for the fiscal ~~years~~ **year** ending ~~September 30, 2021 and~~ September  
 25 30, 2022.

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

1 section from the state school aid fund.

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

5 **Sec. 78. (1) From the state school aid fund money appropriated**  
6 **in section 11, there is allocated an amount not to exceed**  
7 **\$2,000,000.00 to districts for the purposes under subsection (3).**

8 (2) To receive funding under this section, a district must  
9 apply for the funding in a form and manner prescribed by the  
10 department of treasury.

11 (3) A district that receives funding under this section shall  
12 use the funding only as follows:

13 (a) To provide the parent or legal guardian of an eligible  
14 pupil who is enrolled in the district a card stipend to be used  
15 exclusively for qualified transportation services used by the  
16 eligible pupil to get to and from the district.

17 (b) To provide notice to the parents and legal guardians of  
18 eligible pupils enrolled in the district concerning card stipends  
19 described in this subsection.

20 (4) Except as otherwise provided in this subsection, a  
21 district that receives funding under this section shall select the  
22 eligible pupils whose parent or legal guardian will receive a card  
23 stipend as described in subsection (3) through a random-draw  
24 system. A district that receives funding under this section shall  
25 prioritize the award of card stipends as described in subsection  
26 (3) to the parents and legal guardians of eligible pupils who are  
27 eligible for free meals as determined under the Richard B. Russell  
28 national school lunch act, 42 USC 1751 to 1769j.

29 (5) An award of funding under this section to a district must

1 not exceed \$25,000.00.

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

5 (7) An eligible pupil under this section is a pupil to whom  
6 all of the following apply:

7 (a) The pupil has been determined eligible for free or  
8 reduced-price meals as determined under the Richard B. Russell  
9 national school lunch act, 42 USC 1751 to 1769j.

10 (b) The pupil is a resident of this state.

11 (c) The pupil resides at least 1.5 miles away from the school  
12 in which he or she attends that is operated by the district in  
13 which he or she is enrolled.

14 (d) If the pupil is enrolled in a district that is not a  
15 public school academy, the pupil is enrolled in the district under  
16 section 105 or 105c.

17 (8) As used in this section:

18 (a) "Card stipend" means a mechanism of payment developed by  
19 the department of treasury through which a parent or legal guardian  
20 of an eligible pupil receives a payment not exceeding \$1,400.00  
21 from the funding received by the district in which the eligible  
22 pupil is enrolled under this section as provided under this  
23 section.

24 (b) "District" means a public school academy or a school  
25 district established under the revised school code that is  
26 accepting applications for enrollment by nonresident applicants  
27 under section 105 or 105c.

28 (c) "Qualified transportation services" means any of the  
29 following:

- 1           (i) District-operated transportation.
- 2           (ii) Transportation provided by a public-transit operator.
- 3           (iii) Ride-sharing transportation services approved by the
- 4 department of treasury.