SUBSTITUTE FOR
HOUSE BILL NO. 4286

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979,
by amending sections 3, 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 11w,
11x, 15, 19, 20, 20d, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 23a,
24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27b, 27c, 27d, 28, 31a,
31d, 31f, 31j, 31n, 31o, 31p, 31aa, 32d, 32n, 32p, 32t, 35a, 35d,
39, 39a, 41, 41b, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56,
61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 97, 97a, 98, 99h,
99s, 99t, 99x, 99cc, 101, 104, 107, 121, 147, 147a, 147b, 147c,
147e, 152a, and 163 (MCL 388.1603, 388.1604, 388.1606, 388.1606a,
388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s,
388.1611w, 388.1611x, 388.1615, 388.1619, 388.1620, 388.1620d,
388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d,
THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

sections 3, 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 21f, 21h, 22a, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31j, 31n, 31o, 31p, 32d, 32p, 35a, 35d, 39, 41, 51d, 51g, 54b, 54d, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 97, 97a, 98, 99h, 99s, 99t, 99x, 101, 104, 107, 147, 147a, 147b, 147e, and 152a as amended and sections 11x, 27a, 27b, 27c, 27d, 31aa, 32n, 32t, 41b, 51e, and 99cc as added by 2022 PA 144, sections 4 and 19 as amended by 2021 PA 48, sections 11, 22b, 31f, 39a, 51a, 51c, 53a, 54, and 147c as amended by 2023 PA 3, section 11w as added by 2022 PA 93, section 23a as amended by 2020 PA 22, section 56 as amended by 2022 PA 212, section 121 as amended by 2006 PA 342, and section 163 as amended by 2021 PA 15, and by adding sections 11v, 12a, 12b, 12c, 22e, 22k, 22l, 22o, 23g, 23h, 27g, 27h, 27i, 27j, 27k, 30d, 30e, 31k, 31ff, 31gg, 32o, 32w, 32x, 35i, 35j, 35k, 67f, 74b, 97g, 98d, 99ff, 99gg, 99hh, 99ii, 107a, and 164i; and to repeal acts and parts of acts.
Sec. 3. (1) "Average daily attendance", for the purposes of complying with federal law, means 92% of the pupils counted in membership on the pupil membership count day, as defined in section 6(7).

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

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

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

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

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

(7) "District" means, except as otherwise specifically provided in this act, a local school district established under the revised school code or, except in sections 6(4), 6(6), 11x, 11y, 12c, 13, 20, 22a, 22p, 31a, 51a(14), 105, 105c, and 166b, a public school academy. Except in section 20, district also includes a community district.

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

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

Sec. 4. (1) "Elementary pupil" means a pupil in membership in grades K to 8 in a district not maintaining classes above grade 8 or in grades K to 6 in a district maintaining classes above grade 8 or a child enrolled and in regular attendance in a publicly funded prekindergarten setting.

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

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

(3) (4)—"High school equivalency certificate" means a certificate granted for the successful completion of a high school equivalency test.

(4) (5)—"High school equivalency test" means the G.E.D. test
developed by the GED Testing Service, the HISET exam developed by Educational Testing Service (ETS), administered by PSI Services, or another comparable test approved by the department of labor and economic opportunity.

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

(6) "High school pupil" means a pupil in membership in grades 7 to 12, except in a district not maintaining grades above grade 8.

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

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

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

(4) "Membership", except as otherwise provided in this
article, means for a district, a public school academy, or an
intermediate district the sum of the product of .90 times the
number 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 on the pupil membership
count day for the current school year, plus 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 total that is greater using either of the equations described
in subdivision (mm). A district's, public school academy's, or
intermediate district's membership is adjusted as provided under
section 25e for pupils who enroll after the pupil membership count
day in a strict discipline academy operating under sections 1311b
to 1311m of the revised school code, MCL 380.1311b to 380.1311m.

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

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

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

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

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

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

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

(g) A pupil enrolled in a public school academy is counted in 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. Beginning July 1, 2021, this subdivision is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021. For the purposes of this subdivision, for a pupil enrolled in a cyber school, all of the following apply with regard to the participation requirement as described in this subdivision:

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

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

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

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

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

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

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

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

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

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

(I) "2-way interaction" means the communication that occurs between the teacher of record or mentor and pupil, where 1 party initiates communication and a response from the other party follows that communication. Responses as described in this sub-subsubparagraph must be to the communication initiated by the teacher of record or mentor, and not some other action taken. This interaction may occur through, but is not limited to, means such as email, telephone, instant messaging, or face-to-face conversation. A parent- or legal-guardian-facilitated 2-way interaction is considered a 2-way interaction if the pupil is in any of grades K to 5 and does not yet possess the skills necessary to participate in 2-way interactions unassisted. The interactions described in this sub-sub-subparagraph must relate to a virtual course on the pupil's schedule and pertain to course content or progress.

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

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

(1) He or she 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. The teacher of record may coordinate the distribution and assignment of the responsibilities described in this sub-sub-sub-subparagraph with other teachers participating in the instructional process for a course.

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

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

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

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

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

(II) Documented completion of a course assignment.

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

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

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

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

(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) 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.

(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.

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

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

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

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

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

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

(B) Had dropped out of school.

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

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

(n) If a pupil counted in membership in a public school academy is also educated by a district or intermediate district as part of a cooperative education program, the pupil is counted in membership only in the public school academy unless a written agreement signed by all parties designates the party or parties in which the pupil is counted in membership, and the instructional time scheduled for the pupil in the district or intermediate district is included in the full-time equated membership determination under subdivision (q) and section 101. However, for pupils receiving instruction in both a public school academy and in a district or intermediate district but not as a part of a cooperative education program, the following apply:
(i) If the public school academy provides instruction for at least 1/2 of the class hours required under section 101, the public school academy receives as its prorated share of the full-time equated membership for each of those pupils an amount equal to 1 times the product of the hours of instruction the public school academy provides divided by the number of hours required under section 101 for full-time equivalency, and the remainder of the full-time membership for each of those pupils is allocated to the district or intermediate district providing the remainder of the hours of instruction.

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

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

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

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

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

(s) For a district or a public school academy that has pupils enrolled in a grade level that was not offered by the district or public school academy in the immediately preceding school year, the number of pupils enrolled in that grade level to be counted in membership is the average of the number of those pupils enrolled and in regular daily attendance on the pupil membership count day.
and the supplemental count day of the current school year. Membership is calculated by adding the number of pupils registered for attendance in that grade level 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 subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

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

(u) If, as a result of a disciplinary action, a district determines through the district's alternative or disciplinary education program that the best instructional placement for a pupil is in the pupil's home or otherwise apart from the general school population, if that placement is authorized in writing by the district superintendent and district alternative or disciplinary education supervisor, and if the district provides appropriate instruction as described in this subdivision to the pupil at the pupil's home or otherwise apart from the general school population, with the proration based on the number of hours of instruction the district actually provides to the pupil divided by the number of hours required under section 101 for full-time equivalency. For the purposes of this subdivision, a district is considered to be providing appropriate instruction if all of the following are met:

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

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

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

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

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

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

(x) If a district's membership for a particular fiscal year, as otherwise calculated under this subsection, would be less than 1,550 pupils, the district has 4.5 or fewer pupils per square mile, as determined by the department, and the district does not receive
funding under section 22d(2), the district's membership is
considered to be the membership figure calculated under this
subdivision. If a district educates and counts in its membership
pupils in grades 9 to 12 who reside in a contiguous district that
does not operate grades 9 to 12 and if 1 or both of the affected
districts request the department to use the determination allowed
under this sentence, the department shall include the square
mileage of both districts in determining the number of pupils per
square mile for each of the districts for the purposes of this
subdivision. If a district has established a community engagement
advisory committee in partnership with the department of treasury,
is 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 is 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 150,000 and 160,000, as
determined by the department, the district's membership is
considered to be the membership figure calculated under this
subdivision. The membership figure calculated under this
subdivision is the greater of the following:

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

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

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

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

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

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

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

(dd) For a pupil enrolled in a dropout recovery program that meets the requirements of section 23a, the pupil is counted as 1/12 of a full-time equated membership for each month that the district operating the program reports that the pupil was enrolled in the program and was in full attendance. However, if the special membership counting provisions under this subdivision and the operation of the other membership counting provisions under this subsection result in a pupil being counted as more than 1.0 FTE in a fiscal year, 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 any portion of an FTE for that pupil that exceeds 1.0 is instead paid under section 25g. The district operating the program shall report to the center the number of pupils who were enrolled in the program and were in full attendance for a month not later than 30 days after the end of the month. A district shall not report a pupil as being in full attendance for a month unless both of the following are met:

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

(ii) The pupil meets the district's definition under section 23a of satisfactory monthly progress for that month or, if the pupil does not meet that definition of satisfactory monthly progress for that month, the pupil did meet that definition of satisfactory monthly progress in the immediately preceding month and appropriate interventions, as defined by the district, are implemented within 10 school days after it is determined that the pupil does not meet that definition of satisfactory monthly
(ee) A pupil participating in a virtual course under section 21f is counted in membership in the district enrolling the pupil.

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

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

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

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

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

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

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

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

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

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

(kk) A pupil enrolled in a middle college program may be
counted for more than a total of 1.0 full-time equated membership for any of the school years in which the pupil is enrolled in the middle college program, but the total full-time equated membership for that pupil for all of the school years in which the pupil is enrolled in the middle college program must not be greater than 5.00 full-time equated membership, if the pupil is enrolled in more than the minimum number of instructional days and hours required under section 101 and the pupil is expected to complete the 5-year program with both a high school diploma and at least 60 transferable college credits or is expected to earn an associate's degree in fewer than 5 years. A pupil who graduates with both a high school diploma and at least 60 transferrable college credits or an associate's degree at least 1 semester early is considered to have completed the middle college program in fewer than 5 years.

(II) If a district's or public school academy's membership for 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) Five percent of the district's or public school academy's membership for pupils not counted in membership under section 166b.

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

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

(mm) Except as otherwise provided in this subsection, for a district, a public school academy, or an intermediate district, membership is the greater of either of the following totals:

(i) The sum of the product of .50 times the district's, public school academy's, or intermediate district's membership for the immediately preceding fiscal year, as calculated under this section in the immediately preceding fiscal year, and the product of .50 times the sum of the product of .90 times the number 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 on the pupil membership count day for the current school year, plus 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
(ii) The sum of the product of .90 times the number 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 on the pupil membership count day for the current school year, plus 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.

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

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

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

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

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

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

(e) A pupil who has made an official written complaint or whose parent or legal guardian has made an official written complaint to law enforcement officials and to school officials of the pupil's district of residence that the pupil has been the
victim of a criminal sexual assault or other serious assault, if the official complaint either indicates that the assault occurred at school or that the assault was committed by 1 or more other pupils enrolled in the school the pupil would otherwise attend in the district of residence or by an employee of the district of residence. A person who intentionally makes a false report of a 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.

(f) 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.

(g) 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.

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

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

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

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

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

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

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

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

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

(a) Except as provided in subdivision (b) or (c), the either of the following:

(i) The first Wednesday in October each school year. or, for

(ii) For a district or building in which school is not in session on the Wednesday described in subparagraph (i) due to conditions not within the control of school authorities, with the approval of the superintendent, the immediately following day on which school is in session in the district or building.

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

(i) Fourth Wednesday in July.

(ii) First Wednesday in October.

(iii) Second Wednesday in February.

(iv) Fourth Wednesday in April.

(c) If a date listed in subdivision (a) or (b) is a day of religious or cultural significance, as determined by the department, if approved by the superintendent of public instruction, the immediately following day on which school is in
session in the district or building.

(8) "Pupils in grades K to 12 actually enrolled and in regular daily attendance" means, except as otherwise provided in this section, pupils in grades K to 12 in attendance and receiving instruction in all classes for which they are enrolled on the pupil membership count day or the supplemental count day, as applicable. Except as otherwise provided in this section and subsection, a pupil who is absent from any of the classes in which the pupil is enrolled on the pupil membership count day or supplemental count day and who does not attend each of those classes during the 10 consecutive school days immediately following the pupil membership count day or supplemental count day, except for a pupil who has been excused by the district, is not counted as 1.0 full-time equated membership. Except as otherwise provided in this section, a pupil who is excused from attendance on the pupil membership count day or supplemental count day and who fails to attend each of the classes in which the pupil is enrolled within 30 calendar days after the pupil membership count day or supplemental count day is not counted as 1.0 full-time equated membership. Except as otherwise provided in this section, in addition, a pupil who was enrolled and in attendance in a district, intermediate district, or public school academy before the pupil membership count day or supplemental count day of a particular year but was expelled or suspended on the pupil membership count day or supplemental count day is only counted as 1.0 full-time equated membership if the pupil resumed attendance in the district, intermediate district, or public school academy within 45 days after the pupil membership count day or supplemental count day of that particular year. Except as otherwise provided in this section, a pupil not counted as 1.0
full-time equated membership due to an absence from a class is counted as a prorated membership for the classes the pupil attended. For purposes of this subsection: "class" means either of the following, as applicable:

(a) "Appropriately placed" means holding a valid Michigan educator credential with the required grade range and discipline or subject area for the assignment, as defined by the superintendent of public instruction.

(b) "Class" means a period of time in 1 day when pupils and an individual who is appropriately placed under a valid certificate, substitute permit, authorization, or approval issued by the department, are together and instruction is taking place. This subdivision does not apply for the 2020-2021, 2021-2022, and 2022-2023 school years.

(b) For the 2020-2021, 2021-2022, and 2022-2023 school years only, a period of time in 1 day when pupils and a certificated teacher, a teacher engaged to teach under section 1233b of the revised school code, MCL 380.1233b, or an individual working under a valid substitute permit, authorization, or approval issued by the department are together and instruction is taking place.

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

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

(11) "School district of the first class", "first class school district", and "district of the first class" mean, for the purposes of this article only, a district that had at least 40,000 pupils in membership for the immediately preceding fiscal year.
(12) "School fiscal year" means a fiscal year that commences July 1 and continues through June 30.

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

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

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

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

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

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

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

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

Sec. 6a. Except as otherwise provided in this act, in addition to the pupil membership count day, there is a supplemental pupil count of the number of full-time equated pupils in grades K-12-K to 12 actually enrolled and in regular daily attendance in a district or intermediate district on the second Wednesday in February or, for a district or intermediate district that is not in session on that day due to conditions not within the control of school authorities, with the approval of the superintendent, the immediately following day on which the district is in session. However, if a date described in the immediately preceding sentence is a day of religious or cultural significance, as determined by the department, if approved by the superintendent of public instruction, the immediately following day on which school is in session is the day on which the supplemental pupil count described in this section must occur. For the purposes of this act, the day on which the supplemental pupil count is conducted is the supplemental count day.

Sec. 11. (1) For the fiscal year ending September 30, 2023, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $14,511,014,700.00-$17,738,115,900.00 from the state school aid
fund, the sum of $98,119,400.00 to $124,200,000.00 from the general fund, an amount not to exceed $72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed $100.00 from the water emergency reserve fund, and an amount not to exceed $140,400,000.00 from the MPSERS retirement obligation reform reserve fund created under section 147b. For the fiscal year ending September 30, 2023, 2024, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $16,754,072,900.00 to $18,507,583,600.00 from the state school aid fund, the sum of $124,200,000.00 to $75,700,600.00 from the general fund, an amount not to exceed $72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed $140,400,000.00 to $202,000,000.00 from the MPSERS retirement obligation reform reserve fund created under section 147b, an amount not to exceed $245,000,000.00 from the school consolidation and infrastructure fund created under section 11x, and an amount not to exceed $150,000,000.00 from the school transportation fund created under section 22k. In addition, all available federal funds are only appropriated as allocated in this article for the fiscal years ending September 30, 2022-2023 and September 30, 2023-2024.

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

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

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

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

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

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

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

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

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

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

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

(7) For 2022-2023, 2023-2024, in addition to the
appropriations in section 11, there is appropriated from the school
aid stabilization fund to the state school aid fund the amount
necessary to fully fund the allocations under this article.

Sec. 11j. From the state school aid fund money appropriated in
section 11, there is allocated an amount not to exceed
$111,000,000.00 for 2022-2023, 2023-2024 for payments to the school
loan bond redemption fund in the department of treasury on behalf
of districts and intermediate districts. Notwithstanding section
296 or any other provision of this act, funds allocated under this
section are not subject to proration and must be paid in full.

Sec. 11k. For 2022-2023, 2023-2024, there is appropriated from
the general fund to the school loan revolving fund an amount equal
to the amount of school bond loans assigned to the Michigan finance
authority, not to exceed the total amount of school bond loans held
in reserve as long-term assets. As used in this section, "school
loan revolving fund" means that fund created in section 16c of the
shared credit rating act, 1985 PA 227, MCL 141.1066c.
Sec. 11m. From the state school aid fund money appropriated in section 11, there is allocated for 2021-2022 an amount not to exceed $1,000,000.00 and there is allocated for 2022-2023 an amount not to exceed $7,800,000.00-$1,000,000.00 for fiscal year cash-flow borrowing costs solely related to the state school aid fund established under section 11 of article IX of the state constitution of 1963.

Sec. 11s. (1) From the state school aid fund money appropriated in section 11, there is allocated $5,000,000.00 for 2022-2023 and from the general fund money appropriated in section 11, there is allocated $3,075,000.00 for 2022-2023 for the purpose of providing services and programs to children who reside within the boundaries of a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least 2,900 pupils in membership for a fiscal year after 2016-2017.

(2) From the general fund money allocated in subsection (1), there is allocated to a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least 2,900 pupils in membership for a fiscal year after 2016-2017, an amount not to exceed $2,425,000.00
for 2022-2023-2023-2024 for the purpose of employing school nurses, classroom aides, and school social workers and for the provision of behavioral or mental health supports, parental engagement activities, community coordination activities, and other support services. The district shall provide a report to the department in a form, manner, and frequency prescribed by the department. The department shall provide a copy of that report to the governor, the house and senate school aid subcommittees, the house and senate fiscal agencies, and the state budget director within 5 days after receipt. The report must provide at least the following information:

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

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

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

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

(3) For 2022-2023, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $2,000,000.00 to an intermediate district that has a constituent district described in subsection (2) to provide state early intervention services for children described in subsection (1) who are between age 3 and age 5. The intermediate district shall use these funds to provide state early intervention services that are similar to the services described in the early on Michigan state plan.
(4) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $1,000,000.00 for 2022-2023 to the intermediate district described in subsection (3) to enroll children described in subsection (1) in school-day great start readiness programs, regardless of household income eligibility requirements contained in section 32d. The department shall administer this funding consistent with all other provisions that apply to great start readiness programs under sections 32d and 39.

(3) (5) For 2022-2023, 2023-2024, from the general fund money allocated in subsection (1), there is allocated an amount not to exceed $650,000.00 for nutritional services to children described in subsection (1).

(4) (6) For 2022-2023, 2023-2024, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $2,000,000.00 to $5,000,000.00 to the intermediate district described in subsection (3) that has a constituent district described in subsection (2) for interventions and supports for students in K to 12 who were impacted by an executive proclamation of emergency described in subsection (1) concerning drinking water. Funds under this subsection must be used for behavioral supports, social workers, counselors, psychologists, nursing services, including, but not limited to, vision and hearing services, transportation services, parental engagement, community coordination, and other support services.

(5) (7) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed $1,000,000.00 for 2022-2023-2023-2024 only for an early childhood collaborative that serves students
located in a county with a population of not less than 400,000
390,000 or more than 500,000—450,000. The funds allocated under
this subsection must be used to continue the expansion of early
childhood services in response to an executive proclamation of
emergency described in this section concerning drinking water.

(8) In addition to other funding allocated and appropriated in
this section, there is appropriated an amount not to exceed
$5,000,000.00 for 2022-2023 for state restricted contingency funds.
These contingency funds are not available for expenditure until
they have been transferred to a section within this article under
section 393(2) of the management and budget act, 1984 PA 431, MCL
18.1393.

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

Sec. 11v. From the state school aid fund money appropriated in
section 11, there is allocated for 2022-2023 only $94,400,000.00 to
a community district that was created as described under section
383 of the revised school code, MCL 380.383. Funds allocated under
this section are direct grant funds to a community district and are
not subject to approval by the state board of education or the
superintendent of public instruction. A community district shall
use funds allocated under this section only for literacy-related
programs and initiatives. Notwithstanding section 17b, the
department shall make payments under this section by not later than

Sec. 11w. (1) From the state school aid fund money
appropriated in section 11, there is allocated for 2021-2022 an
amount not to exceed $9,828,000.00 for payments to 1 district that
was forced to close a building operated by the district for an extended period of time, but not less than 20 consecutive school days, as a result of the district's response to an act of pupil violence. Funds allocated under this section may be used for personnel and additional student supports, including psychologists, family liaisons, mental health staff, school security, additional learning time, legal fees, and the physical restoration of a school building.

(2) For 2021-2022 only, for the district described in subsection (1), it is the intent of the legislature that results from summative assessments administered by the district during the 2021-2022 school year are not used for retention decisions, educator evaluations, and other high-stakes decisions. The department is encouraged to work with the district to determine alternative methods to comply with applicable state laws.

(3) The funds allocated under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023. The purpose of the work project is to continue to provide support for the district described in subsection (1). The estimated completion date of the work project is September 30, 2023-2024.

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

Sec. 11x. (1) The school consolidation and infrastructure fund is created as a separate account within the state school aid fund for the purpose of improving student academic outcomes, increasing the efficiency of the state's public education system, and creating a healthy and safe space for students in this state.
(2) The state treasurer may receive money or other assets from any source for deposit into the school consolidation and infrastructure fund. The state treasurer shall direct the investment of the school consolidation and infrastructure fund. The state treasurer shall credit to the school consolidation and infrastructure fund interest and earnings from school consolidation and infrastructure fund investments.

(3) Money in the school consolidation and infrastructure fund at the close of the fiscal year remains in the school consolidation and infrastructure fund and does not lapse to the state school aid fund or the general fund.

(4) The department of treasury is the administrator of the school consolidation and infrastructure fund for auditing purposes.

(5) Money available in the school consolidation and infrastructure fund must not be expended without a specific appropriation. No more than 50% of funds in the school consolidation and infrastructure fund may be appropriated for non-consolidation-related infrastructure projects.

(6) From the state school aid fund money appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed $5,000,000.00 for grants to districts and intermediate districts to support the cost of a feasibility study or analysis of consolidation or the consolidation of services among 1 or more districts or among 1 or more intermediate districts. Districts and intermediate districts Except as otherwise provided in this subsection, an intermediate district may apply to the department by not later than September 30, 2023 for a grant under this section to the department on a first-come, first-serve basis. subsection in a form and manner prescribed by
the department no later than September 30, 2023. The maximum amount of a grant to be distributed under this section subsection may not exceed $250,000.00. Notwithstanding section 17b, the department shall make payments under this subsection on a schedule determined by the department. A district with more than 40,000 pupils in membership may apply to the department for a grant under this subsection on its own behalf and must not be included in an intermediate district application.

(7) To be eligible for a grant under subsection (6), an intermediate district must demonstrate to the department, in the manner prescribed by the department, that the intermediate district will conduct a feasibility study or analysis and that all of the following will be met:

(a) Within 30 days after completion of the study or analysis, the intermediate district will make the results available to all districts and intermediate districts included in the study or analysis. Within 60 days after the completion of the study or analysis, the intermediate district will make the results available on a publicly available website.

(b) The study or analysis may include, but is not limited to, consolidation opportunities in the following areas:

(i) Financial services, which may include, but are not limited to, the following:

(A) Budgeting and staffing.

(B) Payroll.

(C) Employee benefits.

(D) State reporting.

(E) Software consolidation to achieve common software throughout the intermediate district.
(ii) Human resources, which may include, but are not limited to, the following:
   (A) Onboarding.
   (B) Title IX administration.
   (C) Hiring.
   (D) Software consolidation to achieve common software throughout the intermediate district.

(iii) Information technology, which may include, but is not limited to, the following:
   (A) Software consolidation to achieve common software throughout the intermediate district.
   (B) Fiber projects.
   (C) Cybersecurity.
   (D) One-to-one device management.

(iv) Grant management and reporting, which may include, but are not limited to, the following:
   (A) Management of all state grant sites and databases.
   (B) Grant reporting.

(v) Cash management, which may include, but is not limited to, the opportunities for intermediate districts and districts to contract on cash flow management to maximize interest earnings.

(vi) Debt issuance and management, including at least all of the following:
   (A) Refunding opportunities.
   (B) New bond issue analysis.
   (vii) School facility consolidation.
   (viii) The physical consolidation of districts.
   (c) The intermediate district will meet with its constituent districts located within the intermediate district to discuss the
results of the study or analysis and to implement changes where feasible. The application must include a brief description of how the intermediate district will conduct these meetings.

(8) The amount of the grant to each eligible intermediate district under subsection (6) is an equal amount per pupil based on the amount of funding available under subsection (6) and the combined total number of pupils in membership in the intermediate district and its constituent districts located within the intermediate district. However, as prescribed in subsection (6), the amount of the grant may not exceed $250,000.00.

(9) For the fiscal year ending September 30, 2022 only, $475,000,000.00 from the state school aid fund must be deposited into the school consolidation and infrastructure fund.

(10) For the fiscal year ending September 30, 2023 only, $714,184,700.00 from the state school aid fund must be deposited into the school consolidation and infrastructure fund.

(11) To be eligible for the receipt of funds funding for infrastructure-related projects appropriated from the school consolidation and infrastructure fund created under this section, a district must allow for the facility condition assessments described in section 11y to be conducted in the district. It is intended that money in the school consolidation and infrastructure fund will not be appropriated for infrastructure projects until the completion of the facility condition assessments described in section 11y.

Sec. 12a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed $300,000,000.00 for competitive grants to participating schools to lower energy costs and improve health
outcomes at school facilities through the healthy schools grant program created under this section. The department shall create a healthy schools grant program to disburse grant funding for the purposes under this section.

(2) Except as otherwise provided in this subsection, to receive a grant under this section, a participating school must apply for the grant in a form and manner prescribed by the department, in collaboration with the department of environment, Great Lakes, and energy and the department of health and human services. An application described in this subsection must be evaluated using the following scoring criteria:

(a) Utilizing Justice40 parameters.

(b) Prioritizing applicants from the National Ambient Air Quality Standards nonattainment zones; high asthma burden areas; environmental justice areas; small area income and poverty estimates (SAIPE) program areas; rural areas, defined by locale codes "43-Rural: Remote" and "42-Rural: Distant" by the national center for education statistics; and communities with high free and reduced lunch participation rates.

(c) Prioritizing applicants utilizing union labor and Michigan companies for evaluation and installation of improvements.

(d) Prioritizing initial distribution of funds to participating schools that participated in the racial disparities task force initiative evaluating and analyzing opportunities to improve air quality in K to 12 facilities in environmental justice communities.

(3) Grants awarded to participating schools under this section must only be used for 1 or more of the following purposes:

(a) Indoor air quality improvements, including HVAC and air
(b) Energy enhancements, including energy efficiencies, on-site renewable energy production, and facility electrification.

c) Toxin remediation, including the removal of lead and, subject to section 168a, asbestos.

d) Drinking water system upgrades, including the installation of hydration stations.

(4) Each participating school receiving a grant under this section shall match at least 50% of the grant funding received with other sources toward the completion of projects commenced for purposes of this section.

(5) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to lower energy costs and improve health outcomes at school facilities. The estimated completion date of the work project is September 30, 2027.

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

(7) As used in this section, "participating school" means a district or intermediate district.

Sec. 12b. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $25,000,000.00 to districts and intermediate districts for the provision of facility upgrades in school-based health centers. Funding received by a district or intermediate district under this section may be used only for the following purposes:
(a) Modernizing antiquated medical equipment.
(b) Improving security and patient safety measures.
(c) Investing in new patient-centered technologies.
(d) Renovating physical spaces to improve patient privacy and
the care setting.

(2) To be eligible to receive funding under this section, a
district or intermediate district must have a school-based health
center that serves students in the current fiscal year and must
submit a joint application with the school-based health center
toward which it will apply funding under this section, in a form
and manner determined by the department in collaboration with the
department of health and human services.

(3) The award to each district or intermediate district of
funding under this section must not exceed $150,000.00 per school-
based health center.

(4) If funding under this section is not sufficient to fully
fund all eligible applicants, the department shall prioritize
funding based on the age of the school-based health center for
which the district or intermediate district sought funding for
under this section.

(5) Notwithstanding section 17b, the department shall make
payments under this section in full when the funding is awarded.

Sec. 12c. (1) From the school consolidation and infrastructure
fund created under section 11x, there is allocated for 2023-2024
only an amount not to exceed $245,000,000.00 for grants to
districts and intermediate districts to support the initial costs
related to the consolidation or the consolidation of services
identified in the feasibility study or analysis conducted under
section 11x.
(2) To be eligible for funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department. An intermediate district may apply for funding on behalf of a district if the intermediate district is providing the consolidated services. An application described in this subsection must include all of the following:

(a) An assurance that the district or intermediate district was included in a feasibility study or analysis conducted under section 11x.

(b) An assurance that the consolidation or the consolidated service or services being funded were included as a recommendation in a feasibility study or analysis conducted under section 11x.

(c) A brief description of how the district or intermediate district plans to implement changes, as outlined in a feasibility study or analysis conducted under section 11x, where possible.

(d) An assurance that the district or intermediate district will submit to the department an annual report documenting the estimated savings produced as a result of the consolidation or consolidation of services.

(e) A budget of the estimated first-year costs associated with the consolidation or the consolidation of services, in the form and manner prescribed by the department.

(3) If funding under this section is not sufficient to fully fund all applicants, the department shall do either of the following:

(a) Ensure that awards under this section are determined based upon a competitive grant process.

(b) Distribute funds under this section on a prorated or other equitable basis as determined by the department.
(4) Each intermediate district that receives funding under this section and also receives funding under section 11x(6) for 2022-2023 shall, in consultation with its constituent districts that receive funds under this section, submit a report to the department not later than June 30, 2025. The report must include all of the following information regarding consolidation or consolidated services supported by funding under this section, in the form and manner prescribed by the department:
   (a) The amount previously spent on each consolidation or consolidated service in the prior fiscal year.
   (b) The number of students impacted by the consolidation or consolidated service.
   (c) The vendors, third-party entities, or other educational entities used for consolidation or to consolidate the service or services.
   (d) The impact on student learning attributable to money reallocated as a result of the consolidation or consolidated service or services.
   (e) A total of cost savings produced as a result of the consolidation or the consolidation of services, in the form and manner prescribed by the department.
(5) As used in this section, "constituent district" means that terms as defined in section 3 of the revised school code, MCL 380.3.

Sec. 15. (1) If a district or intermediate district fails to receive its proper apportionment, the department, upon satisfactory proof that the district or intermediate district was entitled justly, shall apportion the deficiency in the next apportionment. Subject to subsections (2) and (3), if a district or intermediate
If the result of an audit conducted by or for the department affects the current fiscal year membership, the department shall adjust affected payments in the current fiscal year. A deduction due to an adjustment made as a result of an audit conducted by or for the department, or as a result of information obtained by the department from the district, an intermediate district, the department of treasury, or the office of auditor general, must be deducted from the district's apportionments when the adjustment is finalized. At the request of the district and upon the district presenting evidence satisfactory to the department of the hardship, the department may grant up to an
additional 4 years for the adjustment and may advance payments to the district otherwise authorized under this article if the district would otherwise experience a significant hardship in satisfying its financial obligations. However, a district that presented satisfactory evidence of hardship and was undergoing an extended adjustment during 2018-2019 may continue to use the period of extended adjustment as originally granted by the department.

(3) If, based on an audit by the department or the department's designee or because of new or updated information received by the department, the department determines that the amount paid to a district or intermediate district under this article for the current fiscal year or a prior fiscal year was incorrect, the department shall make the appropriate deduction or payment in the district's or intermediate district's allocation in the next apportionment after the adjustment is finalized. The department shall calculate the deduction or payment according to the law in effect in the fiscal year in which the incorrect amount was paid. If the district does not receive an allocation for the fiscal year or if the allocation is not sufficient to pay the amount of any deduction, the amount of any deduction otherwise applicable must be satisfied from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211, as determined by the department.

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

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

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

(7) In addition to funds appropriated in section 11 for all
programs and services, there is appropriated for 2022-2023-2023-
2024 for obligations in excess of applicable appropriations an
amount equal to the collection of overpayments, but not to exceed
amounts available from overpayments.

Sec. 19. (1) A district or intermediate district shall comply
with all applicable reporting requirements specified in state and
federal law. Data provided to the center, in a form and manner
prescribed by the center, shall be aggregated and disaggregated as
required by state and federal law. In addition, a district or
intermediate district shall cooperate with all measures taken by
the center to establish and maintain a statewide P-20 longitudinal
data system.

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

(3) By the first business day in December and by the last business day in June of each year, and within 30 days of any changes in employment or assignment status, a district shall furnish to the center, in a manner prescribed by the center, information related to educational personnel and personnel vacancies as necessary for reporting required by state and federal law. For the purposes of this subsection, the center shall only require districts and intermediate districts to report information that is not already available from the office of retirement services in the department of technology, management, and budget,
including, but not limited to, information concerning vacancy start and end dates and reasons for vacancies and vacancy terminations.

(4) If a district or intermediate district fails to meet the requirements of this section, the department shall withhold 5% of the total funds for which the district or intermediate district qualifies under this article until the district or intermediate district complies with this section. If the district or intermediate district does not comply with this section by the end of the fiscal year, the department shall place the amount withheld in an escrow account until the district or intermediate district complies with this section.

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

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

(7) A district or intermediate district shall collect and submit to the center tribal affiliation data for all students and staff and the identification of student participation in federal programs funded under 20 USC 7401 to 7546 and participation in federal programs funded under the Johnson-O'Malley Supplemental Indian Education Program Modernization Act, Public Law 115-404. The data must be reported in a form and manner prescribed by the center in consultation with the federally recognized Indian tribes in this state and the department in adherence to the department's tribal consultation policy. A district or intermediate district shall begin implementing the reporting requirement under this subsection by not later than the 2024-2025 fiscal year.

Sec. 20. (1) All of the following apply:

(a) For 2021-2022, the target foundation allowance is $8,700.00.

(b) For 2021-2022, the minimum foundation allowance is $8,700.00.

(c) For 2022-2023, 2023-2024, the target foundation allowance is $9,150.00.$9,516.00.

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

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

(a) For 2021-2022, for a district that had a foundation
allowance for the immediately preceding fiscal year that was at
least equal to the minimum foundation allowance for the immediately
preceding fiscal year, but less than the target foundation
allowance for the immediately preceding fiscal year, the district's
foundation allowance is $8,700.00. Except as otherwise provided in
this subdivision, except for 2021-2022, for a district that had a
foundation allowance for the immediately preceding fiscal year that
was equal to the target foundation allowance for the immediately
preceding fiscal year, the district receives a foundation allowance
in an amount equal to the target foundation allowance described in
subsection (1) for the current fiscal year.

(b) For a district that in the immediately preceding fiscal
year had a foundation allowance in an amount equal to the amount of
the target foundation allowance for the immediately preceding
fiscal year, the district receives a foundation allowance for 2021-
2022 in an amount equal to the target foundation allowance for
2021-2022. This subdivision does not apply after the 2021-2022
fiscal year.

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

(b) (d) For a district that had a foundation allowance for the
immediately preceding fiscal year that was greater than the target
foundation allowance for the immediately preceding fiscal year, the
district's foundation allowance is an amount equal to the lesser of
the sum of the district's foundation allowance for the immediately
preceding fiscal year plus any per pupil amount calculated under
section 20m(2) in the immediately preceding fiscal year plus the
increase in the target foundation allowance for the current fiscal
year, as compared to the immediately preceding fiscal year) or (the
product of the district's foundation allowance for the immediately
preceding fiscal year times the percentage increase in the United
States Consumer Price Index in the calendar year ending in the
immediately preceding fiscal year as reported by the May revenue
estimating conference conducted under section 367b of the
management and budget act, 1984 PA 431, MCL 18.1367b). This
subdivision does not apply for the 2021-2022 fiscal year.

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

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

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

(5) The allocation calculated under this section for a pupil is based on the foundation allowance of the pupil's district of residence. For a pupil enrolled under section 105 or 105c in a district other than the pupil's district of residence, the allocation calculated under this section is based on the lesser of the foundation allowance of the pupil's district of residence or the foundation allowance of the educating district. For a pupil in membership in a K-5, K-6, or K-8 district who is enrolled in another district in a grade not offered by the pupil's district of residence, the allocation calculated under this section is based on the foundation allowance of the educating district if the educating district's foundation allowance is greater than the foundation allowance of the pupil's district of residence. The calculation under this subsection must take into account a district's per-pupil
(6) Except as otherwise provided in this subsection, for pupils in membership, other than special education pupils, in a public school academy, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the public school academy equal to, for 2021-2022, the minimum foundation allowance specified in subsection (1)(b) and, for 2022-2023, the target foundation allowance specified in subsection (1)(c). (1), or, for a public school academy that was issued a contract under section 552 of the revised school code, MCL 380.552, to operate as a school of excellence that is a cyber school, $9,150.00. Notwithstanding section 101, for a public school academy that begins operations after the pupil membership count day, the amount per membership pupil calculated under this subsection must be adjusted by multiplying that amount per membership pupil by the number of hours of pupil instruction provided by the public school academy after it begins operations, as determined by the department, divided by the minimum number of hours of pupil instruction required under section 101(3). The result of this calculation must not exceed the amount per membership pupil otherwise calculated under this subsection.

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

(8) Subject to subsection (4), for a district that is formed
or reconfigured after June 1, 2002 by consolidation of 2 or more districts or by annexation, the resulting district's foundation allowance under this section beginning after the effective date of the consolidation or annexation is the lesser of the sum of the average of the 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 who reside in the geographic area of each of the original or affected districts plus $100.00 or the highest foundation allowance among the original or affected districts. This subsection does not apply to a receiving district unless there is a subsequent consolidation or annexation that affects the district. The calculation under this subsection must take into account a district's per-pupil allocation under section 20m.

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

(10) Except as otherwise provided in this subsection, state payments related to payment of the foundation allowance for a special education pupil are not calculated under this section but are instead calculated under section 51a and section 51e. All of the following apply with regard to state payments related to payment of the foundation allowance for a special education pupil:

(a) For 2022-2023, state payments described in this subsection are not calculated under this section but are instead calculated as follows:

(i) Twenty-five percent is calculated under section 51a.
(ii) Seventy-five percent is calculated under section 51e.
(b) It is the intent of the legislature that, in future fiscal years, 100% of state payments described in this subsection will be calculated under this section.

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

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

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

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

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

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

(14) As used in this section:

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 20d. In making the final determination required under former section 20a of a district's combined state and local revenue per membership pupil in 1993-94 and in making calculations under section 20 for 2022-2023, 2023-2024, the department and the department of treasury shall comply with all of the following:

(a) For a district that had combined state and local revenue per membership pupil in the 1994-95 fiscal year of $6,500.00 or
more and served as a fiscal agent for a state board designated area vocational education center in the 1993-94 school year, total state school aid received by or paid on behalf of the district under this act in 1993-94 excludes payments made under former section 146 and under section 147 on behalf of the district's employees who provided direct services to the area vocational education center.

Not later than June 30, 1996, the department shall make an adjustment under this subdivision to the district's combined state and local revenue per membership pupil in the 1994-95 fiscal year and the department of treasury shall make a final certification of the number of mills that may be levied by the district under section 1211 of the revised school code, MCL 380.1211, as a result of the adjustment under this subdivision.

(b) If a district had an adjustment made to its 1993-94 total state school aid that excluded payments made under former section 146 and under section 147 on behalf of the district's employees who provided direct services for intermediate district center programs operated by the district under former section 51 and sections 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. 21f. (1) A primary district shall enroll an eligible pupil in virtual courses in accordance with the provisions of this section. A primary district shall not offer a virtual course to an eligible pupil unless the virtual course is published in the primary district's catalog of board-approved courses or in the statewide catalog of virtual courses maintained by the Michigan Virtual University pursuant to section 98. The primary district shall also provide on its publicly accessible website a link to the statewide catalog of virtual courses maintained by the Michigan Virtual University. Unless the pupil is at least age 18 or is an emancipated minor, a pupil must not be enrolled in a virtual course that meets virtually for more than 15 days in a school year without the consent of the pupil's parent or legal guardian.

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

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

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

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

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

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

(a) The pupil is enrolled in any of grades K to 5.
(b) The pupil has previously gained the credits that would be provided from the completion of the virtual course.
(c) The virtual course is not capable of generating academic credit.
(d) The virtual course is inconsistent with the remaining graduation requirements or career interests of the pupil.
(e) The pupil has not completed the prerequisite coursework for the requested virtual course or has not demonstrated proficiency in the prerequisite course content.
(f) The pupil has failed a previous virtual course in the same subject during the 2 most recent academic years.
(g) The virtual course is of insufficient quality or rigor. A primary district that denies a pupil enrollment request for this reason shall enroll the pupil in a virtual course in the same or a similar subject that the primary district determines is of acceptable rigor and quality.
(h) The cost of the virtual course exceeds the amount identified in subsection (10), unless the pupil or the pupil's parent or legal guardian agrees to pay the cost that exceeds this amount.

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

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

(6) If a pupil is denied enrollment in a virtual course by the pupil's primary district, the primary district shall provide written notification to the pupil of the denial, the reason or reasons for the denial under subsection (5), and a description of the appeal process. The pupil may appeal the denial by submitting a letter to the superintendent of the intermediate district in which the pupil's primary district is located. The letter of appeal must include the reason provided by the primary district for not enrolling the pupil and the reason why the pupil is claiming that the enrollment should be approved. The intermediate district superintendent or designee shall respond to the appeal within 5 days after it is received. If the intermediate district superintendent or designee determines that the denial of enrollment does not meet 1 or more of the reasons specified in subsection (5), the primary district shall enroll the pupil in the virtual course.

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

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

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

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

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

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

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

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

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

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

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

(12) If a pupil successfully completes a virtual course, as determined by the pupil's primary district, the pupil's primary district shall grant appropriate academic credit for completion of the course and shall count that credit toward completion of graduation and subject area requirements. A pupil's school record and transcript must identify the virtual course title as it appears in the virtual course syllabus.

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

(14) As used in this section:
(a) "Instructor" means an individual who is employed by or
contracted through a community college.
(b) "Mentor" means a professional employee of the primary
district who monitors the pupil's progress, ensures the pupil has
access to needed technology, is available for assistance, and
ensures access to the teacher of record. A mentor may also serve as
the teacher of record if the primary district is the provider for
the virtual course and the mentor meets the requirements under
subdivision (e).
(c) "Primary district" means the district that enrolls the
pupil and reports the pupil for pupil membership purposes.
(d) "Provider" means the district, intermediate district,
community college, or other third-party vendor that the primary
district pays to provide the virtual course or the Michigan Virtual
University if it is providing the virtual course.
(e) "Teacher of record" means a teacher who meets all of the
following:
(i) Holds a valid Michigan teaching certificate or a teaching
permit recognized by the department.
(ii) If applicable, is endorsed in the subject area and grade
of the virtual course.
(iii) Is responsible for providing instruction, determining
instructional methods for each pupil, diagnosing learning needs,
assessing pupil learning, prescribing intervention strategies and
modifying lessons, reporting outcomes, and evaluating the effects
of instruction and support strategies.

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

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

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

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

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

(ii) The virtual course content outline.

(iii) The virtual course required assessments.

(iv) The virtual course prerequisites.

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

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

(vii) The virtual course learning outcomes and objectives.

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

(ix) The name of the institution or organization providing the instructor or teacher of record.
(x) The course titles assigned by the provider and the course
titles and course codes from the National Center for Education
Statistics (NCES) school codes for the exchange of data (SCED).

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

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

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

Sec. 21h. (1) From the state school aid fund money
appropriated in section 11, there is allocated $6,137,400.00 for
2022-2023-2023-2024 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 9,000-8,000 and
11,000-10,000, as determined by the department, that is in a
county with a population between 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
system. A district described in this subsection must do all of the
following to be eligible for funding under this section:

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

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

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

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

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

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

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

(c) Craft academic goals that put pupils on track to meet or
exceed grade level proficiency, increase high school graduation
rates, reduce class sizes, and improve attendance rates.

(d) Provide access to training for district leadership,
including, but not limited to, the superintendent or chief
administrator and school board or board of directors members, on
areas of education fiscal and policy matters.

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

(4) Funds allocated under this section, excluding funds
allocated under subsection (5), may be used to pay for district
expenditures approved by the superintendent to improve student
achievement. Funds may be used for professional development for
teachers or district or school leadership, increased instructional
time, teacher mentors, or other expenditures that directly impact
student achievement and cannot be paid from existing district
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 2022-2023-2023-2024 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
(7) In addition to the allocation under subsection (1), from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $36,000,000.00 to districts described in subsection (1) for 2023-2024 only for supplemental funding to be used by districts for the purposes of this section in equal installments of $12,000,000.00 in each of the fiscal years 2023-2024, 2024-2025, and 2025-2026. The funds allocated under this subsection for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.

The purpose of the work project is to provide assistance to districts eligible for funding under this section. The estimated completion date of the work project described in this subsection is September 30, 2026.

Sec. 22a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $4,492,000,000.00 $4,366,000,000.00 for 2021-2022-2022-2023 and there is allocated an amount not to exceed $4,376,000,000.00 $4,212,000,000.00 for 2022-2023-2023-2024 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 school district operating purposes less than it levied in 1994. However, subsection (2) applies to calculating the payments under this section. 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 22b 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) To ensure that a district receives an amount equal to the
district's 1994-95 total state and local per-pupil revenue for
school operating purposes, there is allocated to each district a
state portion of the district's 1994-95 foundation allowance in an
amount calculated as follows:

(a) Except as otherwise provided in this subsection, the state
portion of a district's 1994-95 foundation allowance is an amount
equal to the district's 1994-95 foundation allowance or $6,500.00,
whichever is less, minus the difference between the sum of the
product of the taxable value per membership pupil of all property
in the district that is nonexempt property times the district's
certified mills and, for a district with certified mills exceeding
12, the product of the taxable value per membership pupil of
property in the district that is commercial personal property times
the certified mills minus 12 mills and the quotient of the ad
valorem property tax revenue of the district captured under tax
increment financing acts divided by the district's membership. For
a district that has a millage reduction required under section 31
of article IX of the state constitution of 1963, the department
shall calculate the state portion of the district's foundation
allowance as if that reduction did not occur. For a receiving
district, if school operating taxes are to be levied on behalf of a
dissolved district that has been attached in whole or in part to
the receiving district to satisfy debt obligations of the dissolved
district under section 12 of the revised school code, MCL 380.12,
taxable value per membership pupil of all property in the receiving
district that is nonexempt property and taxable value per
memberhip pupil of property in the receiving district that is
commercial personal property do not include property within the
geographic area of the dissolved district; ad valorem property tax
revenue of the receiving district captured under tax increment
financing acts does not include ad valorem property tax revenue
captured within the geographic boundaries of the dissolved district
under tax increment financing acts; and certified mills do not
include the certified mills of the dissolved district. For a
community district, the department shall reduce the allocation as
otherwise calculated under this section 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 the amount
of this reduction is offset by the increase in funding under
section 22b(2).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) For the number of mills of school operating taxes that may be levied on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, the taxable value of all property for the calendar year ending in the current fiscal year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, school operating taxes do not include school operating taxes levied within the geographic area of the dissolved district.
Sec. 22b. (1) For discretionary nonmandated payments to districts under this section, there is allocated for 2021-2022 an amount not to exceed $5,094,000,000.00 from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed $72,000,000.00 from the community district education trust fund appropriation in section 11. For 2022-2023, an amount not to exceed $5,663,000,000.00 from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed $72,000,000.00 from the community district education trust fund appropriation in section 11. For 2023-2024, an amount not to exceed $5,896,000,000.00 from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed $72,000,000.00 from the community district education trust fund appropriation in section 11. For 2021-2022, 2022-2023, an amount not to exceed $14,500,000.00-$22,500,000.00 must be deposited from the general fund 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, as required under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. For 2022-2023, $19,500,000.00-$27,800,000.00 must be deposited from the general fund 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, as required under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. If the amount allocated under this subsection from the community district education trust fund appropriation under section 11 is insufficient to pay for an increase under this section, any amount exceeding that allocation may be paid from other allocations under this subsection. 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 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), and 51e, 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 agreement with the department, comply with section 22p.

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

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

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

(7) It is the intent of the legislature that all constitutional obligations of this state have been fully funded under sections 22a, 31d, 51a, 51c, 51e, and 152a. If a claim is
made by an entity receiving funds under this article that challenges the legislative determination of the adequacy of this funding or alleges that there exists an unfunded constitutional requirement, the state budget director may escrow or allocate from the discretionary funds for nonmandated payments under this section the amount as may be necessary to satisfy the claim before making any payments to districts under subsection (2). If funds are escrowed, the escrowed funds are a work project appropriation and the funds are carried forward into the following fiscal year. The purpose of the work project is to provide for any payments that may be awarded to districts as a result of litigation. The work project is completed upon resolution of the litigation.

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

(9) If a claim is made in court that challenges the legislative determination of the adequacy of funding for this state's constitutional obligations or alleges that there exists an unfunded constitutional requirement, any interested party may seek an expedited review of the claim by the local claims review board. If the claim exceeds $10,000,000.00, this state may remove the action to the court of appeals, and the court of appeals has and shall exercise jurisdiction over the claim.
(10) If payments resulting from a final determination by the local claims review board or a court of competent jurisdiction that there has been a violation of section 29 of article IX of the state constitution of 1963 exceed the amount allocated for discretionary nonmandated payments under this section, the legislature shall provide for adequate funding for this state's constitutional obligations at its next legislative session.

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

(12) From the allocation in subsection (1) for 2022-2023, the department may use the amount necessary, estimated at $1,000,000.00, for payments to districts for state compliance with federal maintenance of equity requirements described in the
American rescue plan act of 2021, Public Law 117-2. Notwithstanding section 17b, the department shall make calculations and payments under this subsection in a form and manner determined by the department.

(13) (12) As used in this section:

(a) "Dissolved district" means that term as defined in section 20.

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

(c) "Receiving district" and "school operating taxes" mean those terms as defined in section 20.

Sec. 22c. From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 2023-2024 only an amount not to exceed $3,000,000.00 for payments to eligible districts as provided under this section. The payment for an eligible district under this section must be in an amount per membership pupil equal to $171.00. As used in this section:

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

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

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

Sec. 22d. (1) From the state school aid fund money appropriated under section 11, an amount not to exceed $8,858,000.00—$11,101,000.00 is allocated for 2022-2023—2023-2024 for supplemental payments to rural districts under this section. It is the intent of the legislature that the amount allocated under this section for 2024-2025 will be $9,301,000.00.

(2) From the allocation under subsection (1), there is allocated for 2022-2023—2023-2024 an amount not to exceed $1,638,300.00—$3,520,200.00 for payments under this subsection to eligible districts. It is the intent of the legislature that the amount allocated under this subsection for 2024-2025 will be $1,720,200.00. A district that meets all of the following is an eligible district under this subsection:

(a) Operates grades K to 12.
(b) Has fewer than 250 pupils in membership.
(c) Each school building operated by the district meets at least 1 of the following:

(i) Is located in the Upper Peninsula at least 30 miles from any other public school building.
(ii) Is located on an island that is not accessible by bridge.

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

(4) Subject to subsection (7), from the allocation in subsection (1), there is allocated for 2022–2023 and 2023–2024 an amount not to exceed $6,357,000.00–$6,674,900.00 for payments under this subsection to districts that have fewer than 10.0 pupils per square mile as determined by the department.

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

(a) An amount equal to $5,470,400.00–$5,743,900.00 is allocated to districts with fewer than 8.0 pupils per square mile, as determined by the department, on an equal per-pupil basis.

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

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

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

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

(6) From the allocation in subsection (1), there is allocated an amount not to exceed $862,700.00 to $905,900.00 for payments under this subsection to districts that have greater than 250 square miles and that do not receive funding under subsection (2) or (4). The funds allocated under this subsection must be allocated on an equal per-pupil basis.

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

(8) In addition to the funds allocated in subsection (1), there is allocated from the state school aid fund money appropriated under section 11 $500,000.00 for 2023-2024 only for a district that is located on an island with a toll bridge and that does not otherwise receive funding under this section.

Sec. 22e. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $40,000,000.00 to forgive outstanding debt for distressed districts, as determined by the department in conjunction with the department of treasury.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the
Sec. 22k. (1) The school transportation fund is created as a separate account within the state school aid fund for the purpose of supporting district transportation costs.

(2) The state treasurer may receive money or other assets from any source for deposit into the school transportation fund. The state treasurer shall direct the investment of the school transportation fund. The state treasurer shall credit to the school transportation fund interest and earnings from school transportation fund investments.

(3) Money in the school transportation fund at the close of the fiscal year remains in the school transportation fund and does not lapse to the state school aid fund or the general fund.

(4) The department of treasury is the administrator of the school transportation fund for auditing purposes.

(5) Money available in the school transportation fund must not be expended without a specific appropriation.

(6) For the fiscal year ending September 30, 2024 only, $450,000,000.00 from the state school aid fund must be deposited into the school transportation fund.

Sec. 22l. From the school transportation fund under section 22k, there is allocated for 2023-2024 only an amount not to exceed $150,000,000.00 to districts for transportation costs. Funding for each district is as follows:

(a) The department must assign each district to a quartile based on the number of riders per mile and calculate the median cost per rider for each quartile.

(b) Funds must be distributed to each district at the lesser of the quartile's median cost per rider or the actual
transportation cost per general education student at the district.

(c) If funds are insufficient to fully fund payments under this section, payments may be prorated on an equal percentage basis.

Sec. 22m. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023-2023-2024 only an amount not to exceed $2,200,000.00-$3,200,000.00 for supporting the integration of local data systems into the Michigan data hub network based on common standards and applications that are in compliance with section 19(6).

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

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

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

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

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

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

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

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

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

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

(d) Promoting 100% district adoption of the Michigan data hub network.

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

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

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

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

(9) Not later than January 1 of each fiscal year, the center
shall prepare a summary report of information provided by each
entity that received funds under this section that includes
measurable outcomes based on the objectives described under this
section and a summary of compiled data from each entity to provide
a means to evaluate the effectiveness of the project. The center
shall submit the report to the house and senate appropriations
subcommittees on school aid and to the house and senate fiscal
agencies.

(10) The funds allocated under this section for 2023-2024 are
a work project appropriation, and any unexpended funds for 2023-
2024 are carried forward into 2024-2025. The purpose of the work
project is to continue support for the Michigan data hub network.
The estimated completion date of the work project is September 30,
2025.

Sec. 22o. From the state school aid fund money appropriated in
section 11, there is allocated $2,500,000.00 for 2023-2024 only to
intermediate districts to administer 10 MiFamily Engagement Centers
across this state.

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

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

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

(ii) Either of the following, as applicable:

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

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

(iii) Outcomes that are intended to measure improved high school graduation rates, as applicable.

(iv) Outcomes that measure attendance rates.

(b) Accountability measures to be imposed if the district or public school academy does not achieve the measurable academic outcomes described in subdivision (a) for each school operated by the district or public school academy that is subject to the partnership agreement. For a district assigned as a partnership district as described in this subsection, accountability measures under this subdivision must include the reconstitution of the school. For a public school academy assigned as a partnership district as described in this subsection, accountability measures under this subdivision may include the reconstitution of the
school.

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

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

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

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

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

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

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

(a) Enrolls only eligible pupils.

(b) Provides an advocate and teacher of record. An advocate
may serve in that role for more than 1 pupil but not more than 50
pupils. An advocate or teacher of record may be employed by the
district or may be provided by an education management organization
that is partnering with the district. Before an individual is
assigned to be an advocate or teacher of record for a pupil in the
dropout recovery program, the district must comply with sections
1230 and 1230a of the revised school code, MCL 380.1230 and
380.1230a, with respect to that individual.

(c) Develops a written learning plan.

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

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

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

(g) The program may be operated on or off a district school campus, but may be operated using distance learning online only if the program provides a computer and internet access for each eligible pupil participating in the program.

(h) Is operated throughout the entire calendar year.

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

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

(3) As used in this section:

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

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

(c) "Eligible pupil" means a pupil who has been expelled from school under the mandatory expulsion provisions in section 1311 or 1311a of the revised school code, MCL 380.1311 and 380.1311a, a pupil who has been suspended or expelled from school under a local policy, a pupil who is referred by a court, a pupil who is pregnant
or is a parent, a pupil who was previously a dropout, or a pupil who is determined by the district to be at risk of dropping out.

(d) "Satisfactory monthly progress" means an amount of progress that is measurable on a monthly basis and that, if continued for a full 12 months, would result in the same amount of academic credit being awarded to the pupil as would be awarded to a general education pupil completing a full school year. Satisfactory monthly progress may include a lesser required amount of progress for the first 2 months a pupil participates in the program, but must include at least a total of 0.25 earned academic credit by the end of that 2-month period.

(e) "Teacher of record" means a teacher who holds a valid Michigan teaching certificate; who, if applicable, is endorsed in the subject area and grade of the course; and is responsible for providing instruction, determining instructional methods for each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention strategies, reporting outcomes, and evaluating the effects of instruction and support strategies. If the district partners with an education management organization for the program, the teacher of record may be employed by or contracted through the education management organization.

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

Sec. 23g. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed $300,000,000.00 for payments to eligible
districts and eligible intermediate districts for implementing the MI Kids Back on Track Program as described in this section.

(2) The department shall pay an equal amount per membership pupil to each eligible district and eligible intermediate district under this section. Eligible districts and eligible intermediate districts must use funding received under this section only for costs related to implementation of the MI Kids Back on Track Program as described in this section. Implementation costs of the program include, but are not limited to, costs related to staffing, high quality training, curriculum needs, student transportation needs, technology needs, materials, any purpose for which any district previously used funds allocated under section 98c, or other costs incurred as a result of the provision of services for the program.

(3) A district or intermediate district that meets all of the following is an eligible district or eligible intermediate district under this section:

(a) It applies for funding in a form and manner prescribed by the department.

(b) It posts a MI Kids Back on Track Program plan to its website homepage that describes evidence-based actions the district or intermediate district is taking to respond to student needs related to unfinished learning and how funds received under this section will create or expand these efforts. The plan described in this subdivision must meet the following criteria:

   (i) Reflect input from educators, parents and legal guardians, and community members.

   (ii) Include an analysis of student data and describe student needs.
(iii) Identify evidence-based best practices to be implemented or expanded in response to student needs.

(c) Implement and maintain functionality on its website homepage that allows parents, legal guardians, and students to request additional assistance through the MI Kids Back on Track Program.

(d) Match at least 50% of the funding received under this section with funds from other sources and use those funds for the MI Kids Back on Track Program.

(e) Provide transparency reporting on the MI Kids Back on Track Program spending, including posting on its website a transparency dashboard concerning funding from the federal elementary and secondary school emergency relief fund used for the program, in a form and manner prescribed by the department.

(4) If a district or intermediate district does not match at least 50% of funding received under this section with other available funds, the district or intermediate district must return any unmatched funds to the department on a timeline determined by the department. The department may redistribute any returned funds to eligible districts or eligible intermediate districts on an equal per-pupil basis. Districts or intermediate districts receiving redistributed dollars must increase expenditures from other sources to match the amount of redistributed dollars received.

(5) The superintendent of public instruction shall provide guidelines to districts and intermediate districts on evidence-based best practices and effective strategies a district or intermediate district may use to respond to unfinished learning and shall provide resources to assist districts and intermediate
districts in implementing the evidence-based practices.

(6) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to address unfinished learning. The estimated completion date of the work project is September 30, 2025.

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

(8) As used in this section, the "MI Kids Back on Track Program" means programs provided before school, during school, after school, or during the summer, directly by the district or intermediate district or in partnership with community-based organizations for students in any of grades pre-K to 12 in this state that are designed to address unfinished learning, get students to grade-level academic standards, provide additional academic assistance to students at risk of falling behind their peers, or help high school students prepare for postsecondary education.

Sec. 23h. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $30,000,000.00 to support the improvement of mathematics teaching and learning in this state over a 2-year period.

(2) Funds allocated under this section must be used for grants to districts and intermediate districts for the following purposes:

(a) Continued system development, capacity building, and networking spaces for early math specialists in districts and intermediate districts.
(b) Support for all of the following:

(i) The delivery of high-quality professional learning delivered regionally to support teachers' implementation of best practices mathematics instruction.

(ii) Collaboration with researchers with expertise in early mathematics to develop resources to support implementation of best practices, including on-demand capacity building courses available to all teacher and instructional leaders in this state.

(iii) The development of a process or tools, including leveraging the MiStrategyBank and the MiSTEM Regional Network, to share best practices support for math goals in this state's continuous improvement process.

(c) Incentives and supports for K to 5 schools in the purchasing and implementation of high-quality mathematics instructional materials programs to engage students in equitable high-quality mathematics learning experiences through a guided adoption process through intermediate districts.

(d) Supports for the expansion of math recovery specialists statewide through intermediate districts. These specialists must do all of the following:

(i) Support the implementation of research-based diagnostic assessments, learning progressions, and high-quality instructional tools to help participants increase student understanding and achievement.

(ii) Build upon the assets of math recovery in this state.

(iii) Expand and begin to sustain the efforts specific to this state's mathematics essentials and the collaboration between the department and state educational organizations focused on increasing mathematics achievement.
(e) Supports for secondary schools in offering supplemental just-in-time, personalized support programs.

(3) To receive funding under this section, districts and intermediate districts must apply for the funding in a form and manner determined by the department. Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(4) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to support improvement of mathematics teaching and learning in this state. The estimated completion date of the work project is September 30, 2025.

Sec. 24. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 2023-2024 an amount not to exceed $7,650,000.00 for payments to the educating district or intermediate district for educating pupils assigned by a court or the department of health and human services to reside in or to attend a juvenile detention facility or child caring institution licensed by the department of health and human services and approved by the department to provide an on-grounds education program. The amount of the payment under this section to a district or intermediate district is calculated as prescribed under subsection (2).

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

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

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

(3) A district or intermediate district educating pupils described in this section at a residential child caring institution may operate, and receive funding under this section for, a department-approved on-grounds educational program for those pupils that is longer than 181 days, but not longer than 233 days, if the child caring institution was licensed as a child caring institution and offered in 1991-92 an on-grounds educational program that was longer than 181 days but not longer than 233 days and that was
operated by a district or intermediate district.

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

Sec. 24a. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $1,355,700.00 for 2022-2023-2023-2024 for payments to intermediate districts for pupils who are placed in juvenile justice service facilities operated by the department of health and human services. The amount of the payment to each intermediate district is an amount equal to the state share of those costs that are clearly and directly attributable to the educational programs for pupils placed in facilities described in this section that are located within the intermediate district's boundaries. The intermediate districts receiving payments under this section shall cooperate with the department of health and human services to ensure that all funding allocated under this section is utilized by the intermediate district and department of health and human services for educational programs for pupils described in this section. Pupils described in this section are not eligible to be funded under section 24. However, a program responsibility or other fiscal responsibility associated with these pupils must not be transferred from the department of health and human services to a district or intermediate district unless the district or intermediate district consents to the transfer.

Sec. 25f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $1,600,000.00 for 2022-2023-2023-2024 for payments to strict discipline academies and qualified districts, as provided under this section.
(2) In order to receive funding under this section, a strict discipline academy or qualified district must first comply with section 25e and use the pupil transfer process under that section for changes in enrollment as prescribed under that section.

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

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

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

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

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

(8) As used in this section:

(a) "Added cost" means 100% of the added cost each fiscal year for educating all pupils enrolled and in regular daily attendance at a strict discipline academy or qualified district. Added cost must be computed by deducting all other revenue received under this article for pupils described in this subdivision from total costs, as approved by the department, in whole or in part, for educating those pupils in a strict discipline academy or qualified district. The department shall include all costs, including, but not limited to, educational costs, insurance, management fees, technology costs, legal fees, auditing fees, interest, pupil accounting costs, and any other administrative costs necessary to operate the program or to comply with statutory requirements. Costs reimbursed by federal funds are not included.

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

(c) "Qualified district" means a public school academy that is not a strict discipline academy that enrolls individuals who are in the custody of a county juvenile agency to which both of the
following are applicable:

(i) The agency had custody of individuals who were enrolled in a strict discipline academy in the 2020-2021 school year.

(ii) The strict discipline academy that the individuals described in subparagraph (i) were enrolled in subsequently closed.

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

Sec. 25g. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $750,000.00 for 2022-2023 only for the purposes of this section. Except as otherwise provided in this section, if the operation of the special membership counting provisions under section 6(4)(dd) and the other membership counting provisions under section 6(4) result in a pupil being counted as more than 1.0 FTE 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. 26a. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $14,000,000.00 for 2021-2022-2023-2024 to reimburse districts and intermediate districts under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2021, and there is allocated an amount not to exceed $14,000,000.00 for 2022-2023 to reimburse districts and intermediate districts under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2022-2023. The department shall pay the allocations not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

Sec. 26b. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $4,989,000.00 for 2022-2023-2023-2024 for payments to districts, intermediate districts, and community college districts for the portion of the payment in lieu of taxes obligation that is attributable to districts, intermediate districts, and community college districts under section 2154 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2154. (2) If the amount appropriated under this section is not sufficient to fully pay obligations under this section, payments are prorated on an equal basis among all eligible districts, intermediate districts, and community college districts.

Sec. 26c. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to
exceed $14,800,000.00 $20,500,000.00 for 2021-2022 2022-2023 and there is allocated an amount not to exceed $14,800,000.00

$26,000,000.00 for 2022-2023-2023-2024 to the promise zone fund created in subsection (3). The funds allocated under this section reflect the amount of revenue from the collection of the state education tax captured under section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

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

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

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

(b) Money in the promise zone fund at the close of a fiscal year remains in the promise zone fund and does not lapse to the general fund.
(4) Subject to subsection (2), the state treasurer may make payments from the promise zone fund to eligible districts and intermediate districts under the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the purposes of a promise zone authority created under that act.

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

Sec. 26d. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed $12,000,000.00 for 2021-2022 and an amount not to exceed $14,400,000.00 for 2022-2023-2023-2024 for reimbursements to intermediate districts as required under section 15b of the 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. 27a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023-2023-2024 only an amount not to exceed $20,000,000.00 and from the general fund money appropriated in section 11, there is allocated
for 2022-2023-2023-2024 an amount not to exceed $5,000,000.00 for
the MI future educator fellowship program. *It is the intent of the*
legislature to fund this section from the funds in the educator
fellowship public provider fund and educator fellowship private
provider fund in future fiscal years. The funds allocated under
this section must be used to offset tuition costs for individuals
who are working toward earning their initial teacher certification.

(2) To establish initial eligibility for an award from funding
under this section, an individual must meet all of the following
conditions by the date of enrollment described in subdivision (b):

(a) Have graduated from high school with a diploma or
certificate of completion or achieved a high school equivalency
certificate.

(b) Be admitted to an eligible educator preparation program
and begin the first semester of that program on or after the start
of the fall 2022 academic semester; be working toward a teacher
certification; and be enrolled in enough coursework to earn at
least 24 credits in an academic year or the equivalent of full-time
participation for individuals enrolled in an alternative
certification program, as defined by the department.

(c) Not have previously earned a teacher certification.

(d) Timely complete a grant application in a form and manner
prescribed by the department of treasury.

(e) Timely file the Free Application for Federal Student Aid
for the enrollment period described in subdivision (b).

(f) Timely apply for all available gift aid for the enrollment
period described in subdivision (b).

(g) Agree to repay any funds received from funding under this
section if the individual does not maintain enrollment in their
educator preparation program, the individual does not successfully complete their educator program, or the individual does not complete the work requirement described in subsection (7).

(h) Have a high school or college grade point average of at least 3.0.

(i) Be a resident of this state, as determined for purposes of the Free Application for Federal Student Aid.

(3) To establish continuing eligibility for an award under this section at an eligible educator preparation program, an individual must meet all of the following conditions:

(a) Maintain continuous enrollment in an eligible educator preparation program and earn at least 24 credits in an academic year or the equivalent of full-time participation for individuals enrolled in an alternative certification program, as defined by the department, excluding any period of time missed due to a medical or other emergency, as determined by the department of treasury.

(b) Maintain satisfactory academic progress, including a grade point average of at least 3.0, in courses provided by the eligible educator preparation program and meet requirements established by the eligible educator preparation program.

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

(d) Timely file the Free Application for Federal Student Aid for each academic year in which the individual receives an award from funding under this section.

(e) Timely apply for all available gift aid for each academic year in which the individual applies for funding under this section.

(f) Maintain residency in this state, as determined for
purposes of the Free Application for Federal Student Aid.

(4) An award under this section must not exceed $10,000.00 per academic year or the cost of tuition at the in-district resident rate plus other required fees, as determined by the department of treasury, at the eligible educator preparation program attended, whichever is less.

(5) Awards under this section must be distributed to eligible educator preparation programs on behalf of an eligible recipient on a timeline determined by the department of treasury.

(6) Pending available funds, applicants may renew their award for up to 3 years, or until program completion, whichever comes first.

(7) To be an eligible recipient of fellowship funding under this section, an individual must pledge to work as a certified teacher in a public school, nonpublic school, or a qualifying public preschool program in this state and must meet 1 of the following work requirements:

   (a) For a recipient of funding under this section who received an award for 1 academic year, 3 years of work as a certified teacher in a public school, nonpublic school, or a qualifying public preschool program in this state.

   (b) For a recipient of funding under this section who received an award for 2 academic years, 4 years of work as a certified teacher in a public school, nonpublic school, or a qualifying public preschool program in this state.

   (c) For a recipient of funding under this section who received an award for 3 academic years, 5 years of work as a certified teacher in a public school, nonpublic school, or a qualifying public preschool program in this state.
(d) For a recipient working in a critical needs district, 3 years of work as a certified teacher. As used in this subdivision, "critical needs district" means a district with a median household income in the lowest quartile in each prosperity region, as determined by the department.

(8) If an award recipient does not maintain enrollment in their educator preparation program as required under subsection (3)(a), does not successfully complete their educator preparation program, or does not meet the work requirement described in subsection (7), any amount received from funds under this section converts to a 0% interest loan that must be repaid to this state within 10 years plus any deferment period as determined and approved by the department of treasury. The amount of repayment must be reduced proportionate to the number of years worked in schools or qualifying public preschool programs in this state as a certificated teacher out of 5 years. The department of treasury shall develop guidance to enforce this subsection.

(9) An individual may not concurrently receive funding through programs funded under this section and grow your own programs funded under section 27b.

(10) If the amount allocated in subsection (1) is not sufficient to fully fund awards under this section, there is appropriated from the educator fellowship public provider fund or the educator fellowship private provider fund, as applicable, the amount necessary to fully fund these programs. The state budget director shall provide notification to the house and senate appropriations subcommittees on K to 12 school aid and the house and senate fiscal agencies for any additional appropriation described under this subsection.
(11) Notwithstanding section 17b, the department of treasury shall make payments under this section on a schedule determined by the department of treasury.

(12) As used in this section, "eligible educator preparation program" means an institution of higher education that meets all of the following:

(a) Is a public or nonpublic institution of higher education in this state.
(b) Has an established school of education with an educator preparation program approved by the department.
(c) Enrolls 1 or more future educator fellowship recipients.
(d) Has not increased tuition and fee rates above the limitations described in section 265.241c.

Sec. 27b. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed $20,000,000.00 and from the federal funding appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed $155,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to districts and intermediate districts for a grow your own program as described in subsection (2).

(2) Districts and intermediate districts receiving funding under this section shall use the funding to implement a grow your own program. A grow your own program described in this subsection must be implemented to improve the teacher talent pipeline and provide a no-cost pathway for support staff members to become certified teachers. Allowable expenses for grow your own programs
include, but are not limited to:

(a) Tuition and fees for attendance at a state-approved education preparation provider for an accelerated degree, for a traditional bachelor's degree for current staff who are not teachers, or for an advanced degree in a department-approved certification program.

(b) Books.

(c) Testing fees.

(d) Travel to and from coursework.

(e) Substitute employee salary and wages for the duration of the educator preparation program attended by the recipient staff of the district or intermediate district.

(f) Costs for curriculum, materials, professional development, and hands-on-learning experiences to implement a program within the district or intermediate district to encourage students in any of grades 6 through 12 to consider a career in education. Not more than 10% of funds received by a district or intermediate district under this section may be used for this purpose.

(3) The department shall establish a grant process to distribute funds under this section. A district or intermediate school district must apply for funds in a form and manner prescribed by the department. As part of the application described in this subsection, a district or intermediate district must submit the following information and assurances:

(a) Demonstrated need for funding in the district or intermediate district or the broader community, including projected workforce needs, and a proposed spending plan on how the funds will be utilized that includes expected tuition, fees, and books for the program.
(b) Number of support staff projected to participate in a grow your own program described in this section.

(c) For funds for the purposes described in subsection (2)(f), a description of the program being implemented and the number of students the program is intended to reach.

(d) Assurances that the pathway will be no cost for participants and that participants will be compensated as an employee for the duration of their training, including a paid residency or student teaching.

(e) Identification of eligible recipients and a pledge to hire an eligible recipient as a full-time teacher upon their receipt of an initial teaching certificate and provide for student teaching opportunities.

(f) A pledge that, before providing funding under this section to an eligible recipient, the district or intermediate district will require that the eligible recipient pledge to serve as a full-time teacher at the district or intermediate district for at least the same number of years as the recipient participated in a grow your own program. If the district or intermediate district is unable to hire an eligible recipient as required under subdivision (e), the eligible recipient may serve the years the recipient pledged to serve under this subdivision at another district, intermediate district, or nonpublic school.

(4) An individual may not concurrently receive funding for programs under this section and programs funded under sections 27a and 27c.

(5) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts.
(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(7) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue support for grow your own programs in districts and intermediate districts. The estimated completion date of the work project is December 31, 2026.

Sec. 27c. (1) From the state school aid fund money appropriated in section 11, there is allocated $50,000,000.00 for 2022-2023-2023-2024 for the MI future educator student teacher stipend program. Except as otherwise provided in this section, the funds allocated under this section must be paid to eligible educator preparation programs for payments to eligible student teachers working in a district.

(2) An eligible student teacher under this subsection must meet all of the following:

(a) The individual must be admitted to an eligible educator preparation program, be working toward a teacher certification, be participating in required student teaching coursework, and be maintaining satisfactory academic progress. As used in this subdivision, "required student teaching coursework" means credit hours, or the program equivalent, required by an eligible educator preparation program for successful completion of the program. This coursework must include regular placement in a district where the student gains real-world, first-hand experience working in a classroom, teaching students, engaging in the day-to-day activities of a certified teacher, and working daily under the guidance of a
certified teacher.

(b) The individual must timely complete an application in a form and manner prescribed by the department of treasury. The application must include the district in which the individual is working as a student teacher and must include a certification by the district and the individual's eligible educator preparation program that the student is working as a student teacher. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the district in which the individual is working must also provide an assurance that they will forward any amount received under this section from the department of treasury for purposes of the program described in this section to the individual's eligible educator preparation program.

(c) The individual must not have received a payment from funds under this subsection previously, unless the individual is enrolled in an eligible educator preparation program that requires multiple semesters of student teaching.

(d) If an individual is employed by their district as a teacher of record, they are not eligible for payment under this section.

(3) The department of treasury shall pay each eligible educator preparation program an amount not to exceed $9,600.00 per academic semester for each eligible student teacher working in a district. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the department of treasury shall pay an amount not to exceed $9,600.00 per academic semester to the district in which the individual is working as a student teacher, and that district must forward the
amount received to the individual's eligible educator preparation program. If funding allocated under this section is insufficient to fully fund all eligible student teachers, the department of treasury shall first award funding for eligible student teachers who are also Pell grant recipients and then shall distribute funding in the order in which applications were received. It is intended that payments under this subsection are made at the beginning of the semester in 1 lump sum for eligible student teachers.

(4) Eligible educator preparation programs shall pay funds received under this section, in entirety, to the eligible student teacher. Eligible student teachers may use these funds for any of the following:

(a) Tuition costs.

(b) Living expenses, including, but not limited to, housing costs, health care costs, and transportation costs.

(c) Childcare costs for a dependent of the student teacher.

(d) Any other costs associated with student teaching, as determined by the department of treasury.

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

(6) As used in this section, "eligible educator preparation program" means City Year or an institution of higher education that meets all of the following:

(a) Is a public or private institution of higher education in this state.

(b) Has an established school of education with an educator preparation program approved by the department.
(c) Has not increased tuition and fee rates above the limitations described in section 265.241c.

Sec. 27d. (1) The educator fellowship public provider fund is created as a separate account within the state school aid fund for the purpose of improving the educator workforce through recruitment efforts for students attending public educator preparation programs.

(2) The state treasurer may receive money or other assets from any source for deposit into the educator fellowship public provider fund. The state treasurer shall direct the investment of the educator fellowship public provider fund. The state treasurer shall credit to the educator fellowship public provider fund interest and earnings from educator fellowship public provider fund investments.

(3) Money in the educator fellowship public provider fund at the close of the fiscal year remains in the educator fellowship public provider fund and does not lapse to the state school aid fund.

(4) The department of treasury is the administrator of the educator fellowship public provider fund for auditing purposes.

(5) The department of treasury shall expend money from the educator fellowship public provider fund, upon appropriation, for the purposes described in section 27a(10) for students admitted to public educator preparation programs.

(6) For the fiscal year ending September 30, 2022 only, $235,000,000.00 from the state school aid fund is deposited into the educator fellowship public provider fund.

(7) For the fiscal year ending September 30, 2023 only, $25,000,000.00 from the state school aid fund is deposited into the educator fellowship public provider fund.
Sec. 27g. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed $25,000,000.00 to intermediate districts and consortia of intermediate districts based on the number of pupils in membership in constituent districts of the intermediate district or consortium of intermediate districts to support the Talent Together coalition as described in this section.

(2) Intermediate districts and consortia of intermediate districts shall use the money received under this section to partner with 1 eligible nonprofit to provide funding, programs, and technical assistance for the following activities:

   (a) Teacher recruitment, teacher retention, and teacher development to ensure greater efficacy, satisfaction, and outcomes.

   (b) Improve teacher certification programs to increase quality and retention, and foster close relationships with schools.

   (c) Provide school leader development programs to increase educator retention and efficacy.

   (d) Serve as a convener and hub for innovation and conversation to support collaboration and coordination among this state's educator talent efforts.

   (e) Promote research so that this state can learn from its investments and innovations and become a top state for educators.

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

(4) As used in this section, "eligible nonprofit" means an entity that meets all of the following criteria, as determined by the department:

   (a) Is based in this state.
(b) Operates statewide.
(c) Is a non-higher education institution under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501.
(d) Has formal partnerships with more than 35 intermediate districts in this state.
(e) Has launched a statewide grow your own program in partnership with intermediate districts.
(f) Has staff experienced in implementing research-based programs in all of the following areas:
   (i) Teacher recruitment.
   (ii) Teacher development.
   (iii) Teacher retention.
   (iv) Teacher certification.
   (v) School leader development.
   (vi) School leader retention.
(g) Has staff experienced in designing and developing a department-approved grow your own program.

Sec. 27h. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only for the purposes of this section an amount not to exceed $25,000,000.00. Programs funded under this section are intended to expand support for new teachers, school counselors, and administrators; improve their instructional practices; and improve teacher retention.

(2) From the allocation under subsection (1), the department shall provide grants to districts for mentor stipends to support and retain quality teachers, school counselors, and administrators in this state.

(3) To receive a grant under this section, a district must
apply for the grant in a form and manner prescribed by the department.

(4) Districts that receive grants under subsection (2) may use the funding for any of the following allowable expenditures:

(a) Stipends for any of the following individuals:

(i) Veteran teachers who serve as mentor teachers of teachers participating in grow your own programs.

(ii) Veteran teachers who serve as mentor teachers for teachers who are within their first 3 years of teaching.

(b) Stipends for any of the following individuals:

(i) Veteran school counselors who serve as mentor school counselors of school counselors participating in grow your own programs.

(ii) Veteran school counselors who serve as mentor school counselors for school counselors who are within their first 3 years of serving as school counselors.

(c) Stipends for any of the following individuals:

(i) Veteran school administrators who serve as mentor school administrators of school administrators participating in grow your own programs.

(ii) Veteran school administrators who serve as mentor school administrators for school administrators who are within their first 3 years of serving as school administrators.

(d) Training for mentor teachers, mentor school counselors, and mentor administrators.

(e) Books, materials, professional learning expenses, and other resources necessary for mentoring and onboarding new teachers. Professional learning expenses under this subdivision must be in addition to professional learning requirements described
under section 1526 of the revised school code, MCL 380.1526.

(f) Staffing costs to cover time spent by both new and mentor
teachers, school counselors, and administrators dedicated to
mentoring and onboarding rather than being in the classroom or
performing other job duties.

(g) Contracting with 1 or more established state professional
organizations to provide mentoring services to school
administrators. Only $3,000.00 per administrator or the actual
program cost, whichever is lesser, of the costs described in this
subdivision may be reimbursed from grant funding under subsection
(2).

(5) From the allocation under subsection (1), there is
allocated $500,000.00 for a competitive grant to assist the
department with the development of research-based mentor standards,
curricula, and professional learning to ensure mentors are prepared
to support new teachers. Intermediate districts and other
educational entities are eligible to apply for this grant in a form
and manner determined by the department.

(6) From the allocation under subsection (1), there is
allocated $500,000.00 for a competitive grant to conduct a program
evaluation of activities funded under this section. The evaluation
must identify recommendations to strengthen the program. Qualified
evaluators are eligible to apply for this grant in a form and
manner prescribed by the department. The funds allocated under this
subsection for 2023-2024 are a work project appropriation, and any
unexpended funds for 2023-2024 are carried forward into 2024-2025.
The purpose of the work project is to evaluate the activities under
this section. The estimated completion date of the work project is
September 30, 2027.
(7) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(8) Subject to subsection (6), the funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue support for grants for mentor stipends. The estimated completion date of the work project is September 30, 2025.

Sec. 27i. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $15,000,000.00 to pilot the creation and implementation of a rural educator credentialing hub.

(2) The department must award a grant to a lead approved educator preparation institution to develop the hub working with a consortium of other educator preparation institutions and rural districts to support prospective educators through certifications and career experiences.

(3) To receive funding under this section, educator preparation institutions must apply for the funding in a form and manner prescribed by the department. The department must prioritize funding for educator preparation institutions best equipped to support rural districts with the greatest need for additional credentialed educators.

(4) The hub described in subsection (1) must provide programming and supports for educators to complete requirements for initial or additional credentials, at no cost to the educator, through assessment of nontraditional and experiential learning and to offset associated costs, including, but not limited to, costs
related to transcript review, assessments of skills and knowledge, mentoring, licensure test fees, reasonable course fees, and preparation experiences.

(5) The hub described in subsection (1) must meet the credentialing needs of a variety of educators, including individuals who completed or nearly completed formal teacher preparation in this state or another state but have not been certified, individuals who have worked successfully in rural schools under temporary credentials, and veteran educators seeking to expand the authorizations of their credentials.

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

(7) As used in this section, "rural district" means districts defined by the department.

Sec. 27j. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $5,000,000.00 for payments to an eligible intermediate district as described in this section.

(2) The department shall award a grant to an intermediate district to enter into a partnership with a statewide special education organization to improve the capacity of building-level special education administration personnel.

(3) The special education organization described in subsection (2) must provide a training series for school building-level leaders that ensures the knowledge, skills, mentoring, wellness framework, and strategies needed to support special educators, students with disabilities, and their families and community.

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

(5) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 do not lapse to the state school aid fund and are carried forward into 2024-2025. The purpose of the work project is to deliver the training described in subsection (3). The estimated completion date of the work project is September 30, 2025.

Sec. 27k. (1) From the general fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $100.00 to procure and establish a secure, public online talent dashboard and digital wallet system for storing, viewing, and monitoring the credentials awarded by education providers to all students and adults in this state.

(2) As used in this section:

(a) "Credential" means degrees, diplomas, certificates, transcripts, reports, or documents, that signify satisfactory completion of the requirements or prerequisites for any educational program.

(b) "Digital wallet system" means a secure, private online data management tool for people to store evidence of their academic or skills-based achievements across their lifetimes.

(c) "Education provider" means an organization, including, but not limited to, a public educational institution, a private enterprise, nonprofit organization, or noneducational public body, that provides education, either as a main or ancillary objective.

(d) "Talent dashboard" means a visual display of aggregated education and training data that is housed and displayed on its own page and that receives information from the secure digital wallet
system. The dashboard must be designed for use in different ways, but must primarily be designed to provide a complete picture at a glance of the education and skill levels of specific populations aggregated by state, county, intermediate district, or district.

Sec. 28. (1) To recognize differentiated instructional costs for different types of pupils in 2022-2023, 2023-2024, 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, $8,858,000.00-$11,601,000.00.

(b) Section 221, transportation costs, $150,000,000.00.

(c) Section 31a, at risk, $747,500,000.00-$1,021,400,000.00.

(d) Section 41, bilingual education for English language learners, $26,511,000.00-$32,760,300.00.

(e) Section 51c, special education, mandated percentages, $709,900,000.00-$819,200,000.00.

(f) Section 61a, career and technical education, standard reimbursement, $47,611,300.00.

(g) Section 61d, career and technical education incentives, $5,000,000.00.

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

Sec. 30d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $25,000,000.00 for 2022-2023 and an amount not to exceed $160,000,000.00 for 2023-2024 for the purpose of making payments to
participating entities to provide free school lunch and breakfast
to public school pupils in grades pre-K to 12.

(2) In order to receive funding from this section, a
participating entity must participate in the National School Lunch
Program and must do all of the following:

(a) Provide reimbursable breakfasts and reimbursable lunches
at no cost to all students for any school breakfast program or
school lunch program operated by the participating entity.

(b) Submit information regarding the number of reimbursable
breakfasts and reimbursable lunches served in a manner prescribed
by the department and, except for in 2022-2023, pledge that it will
report to the department, not later than the last business day of
January for each fiscal year, in a form and manner prescribed by
the department, the number of meals and the average cost per meal
provided during the first half of the current school fiscal year.

(c) Maximize federal reimbursement for reimbursable breakfasts
and reimbursable lunches by operating under the CEP if the
participating entity has an identified student percentage greater
than or equal to the minimum requirement to be eligible to
participate in the CEP. For purposes of this subdivision, all
eligible participating entities must elect CEP on behalf of a
single school, a group or groups of schools, or all schools in the
participating entity, as applicable, in a manner that maximizes
federal reimbursement.

(d) The participating entity meets all applicable state and
federal standards in its school breakfast and lunch programs, as
determined by the department.

(e) The participating entity takes all efforts to maximize and
implement policies that require parents or guardians to fill out
relevant family income information, in a manner prescribed by the department, for the purposes of determining student eligibility for federal free or reduced cost meal reimbursement rates and CEP eligibility determinations.

(f) By not later than February 1, 2024, all school meal debt has been forgiven by the participating entity, as determined by the department.

(g) The participating entity offers meals that meet students' dietary restrictions, including the provision of gluten-free meals, vegetarian meals, vegan meals, and, upon request, kosher meals, halal meals, and meals meeting any allergy restrictions as confirmed by a doctor's note.

(3) For each eligible participating entity, the department shall pay an amount equal to the following:

(a) The amount equal to the federal rate per student paid per pupil per free breakfast and lunch under the Child Nutrition Act of 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of breakfasts and lunches provided by the participating entity to students, less the federal revenue received by the participating entity under the school breakfast program and the school lunch program under the Child Nutrition Act of 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j, and other state lunch payments received under section 31d.

(b) The amount equal to the federal rate per student paid per pupil per free breakfast and lunch under the Child Nutrition Act of 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of
breakfasts and lunches provided by the participating entity, as applicable, to children participating in the Great Start Readiness Program under section 32d at the participating entity, less all other federal and state lunch payments made for those children. For purposes of this subdivision, compliance with 7 CFR 226.9 is required. The department shall assign rates of reimbursement, at least annually, on the basis of family size and income information reported by each eligible participating entity. Assigned rates of reimbursement must be adjusted annually to reflect changes in the national average payment rates.

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

(5) As used in this section:

(a) "CEP" means the Community Eligibility Provision under the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j.

(b) "Participating entity" means a district, intermediate district, or the Michigan School for the Deaf and Blind.

Sec. 30e. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed $10,000,000.00 to districts and intermediate districts to offer meals that meet students' dietary restrictions, including the provision of gluten-free meals, vegetarian meals, vegan meals, and, upon request, kosher meals, halal meals, and meals meeting any allergy restrictions as confirmed by a doctor's note. The funds allocated under this section must be paid in installments over 2 fiscal years.

(2) In order to receive funding under this section, a district or intermediate district must apply for funds under this section in
a form and manner prescribed by the department.

(3) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue support for dietary restrictions in school meals. The estimated completion date of the work project is September 30, 2024.

Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2021-2022-2023-2024 an amount not to exceed $537,650,000.00, $1,059,550,000.00 and from the general fund money appropriated in section 11 there is allocated for 2021-2022-2023-2024 an amount not to exceed $1,500,000.00, and, from the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed $785,650,000.00, and from the general fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed $1,500,000.00 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). (6) and (7).

(2) For 2021-2022 only, for a district that has combined state and local revenue per membership pupil under 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 and 20m that was greater than the
target foundation allowance under section 20 that was in effect for that fiscal year, the allocation under subsection (4) is an amount equal to 35% of the allocation for which it would otherwise be eligible under subsection (4) before any proration under subsection (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 sections 20 and 20m that is below the target foundation allowance are receiving nonprorated payments under subsection (4), 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 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 target foundation allowance, as applied under subsection (4), and before any proration under subsection (15). This subsection does not apply beginning in 2022-2023.

(2) (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), (6) or (7), 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, interventions, and supports.
(d) A comprehensive screening and assessment system.
(e) Continuous data-based decision making.

(3) From the state school aid fund money allocated under subsection (1), there is allocated for 2021-2022-2023-2024 an amount not to exceed $512,500,000.00 and, for 2022-2023, an amount not to exceed $747,500,000.00 $1,021,400,000.00 to continue a weighted foundation per pupil payment for districts and public school academies enrolling economically disadvantaged pupils. The department shall pay under this subsection to each eligible district or eligible public school academy an amount per pupil equal to 11.5%–35.0% of the target foundation allowance for the following, as applicable:

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

(i) The number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil
(ii) If the district or public school academy is in the community eligibility program, the number of pupils determined to be eligible based on the product of the identified student percentage multiplied by the total number of pupils in the district or public school academy, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year. These calculations must be made at the building level. This subparagraph only applies to an eligible district or eligible public school academy for the fiscal year immediately following the first fiscal year in which it is in the community eligibility program. As used in this subparagraph, "identified student percentage" means the quotient of the number of pupils in an eligible district or eligible public school academy who are determined to be economically disadvantaged, as reported to the center in a form and manner prescribed by the center, not later than the fifth Wednesday after the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district or eligible public school academy is in the community eligibility program, divided by the total number of pupils counted in an eligible district or eligible public school academy on the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district or eligible public school academy is in the community eligibility program.

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

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

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

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

(5) (6)—A district or public school academy that receives funds under this section and that operates a school breakfast program under section 1272a of the revised school code, MCL 380.1272a, shall use from the funds received under this section an amount, not to exceed $10.00 per pupil for whom the district or public school academy receives funds under this section, necessary to pay for costs associated with the operation of the school breakfast program.
(6) From the state school aid fund money allocated under subsection (1), there is allocated for 2021-2022-2023-2024 an amount not to exceed $8,000,000.00 and there is allocated for 2022-2023 an amount not to exceed $33,000,000.00 to support primary health care services provided to children and adolescents up to age 21. These funds must be expended in a form and manner determined jointly by the department and the department of health and human services. When making funding decisions for new adolescent health centers under this subsection, the department and department of health and human services shall prioritize support for primary health care services in unserved counties as of the effective date of the amendatory act that added this sentence. An amount not to exceed 4% of the funds allocated for 2022-2023-2023-2024 under this subsection must be made available for technical support and coordination services from a nonprofit organization exclusively dedicated to serving adolescent health centers in this state and that has a membership that includes federally qualified health centers, local public health departments, hospital systems, and public school districts. As a requirement of being awarded the funds under this subsection as prescribed under this subsection, a nonprofit organization described in this subsection shall make readily available technical support and coordination services to all child and adolescent health centers in this state.

(7) From the state school aid fund money allocated under subsection (1), there is allocated for 2021-2022-2023-2024 an amount not to exceed $5,150,000.00 and there is allocated for 2022-2023 an amount not to exceed $5,150,000.00 for the state portion of the hearing and vision screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and,
from the general fund money allocated under subsection (1), there is allocated for 2021-2022-2023-2024 an amount not to exceed $1,500,000.00 and there is allocated for 2022-2023 an amount not to exceed $1,500,000.00 for the state portion of the dental screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329. A local public health department shall pay at least 50% of the total cost of the screenings. The frequency of the vision screenings must be as required under R 325.13091 to R 325.13096 of the Michigan Administrative Code and the frequency of the hearing screenings must be as required under R 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds must be awarded in a form and manner approved jointly by the department and the department of health and human services. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule determined by the department.

(8) Each district or public school academy receiving funds under this section shall submit to the department by July 15 of each fiscal year a report, in the form and manner prescribed by the department, that includes a brief description of each program conducted or services performed by the district or public school academy using funds under this section, the amount of funds under this section allocated to each of those programs or services, the total number of at-risk pupils served by each of those programs or services, and the data necessary for the department and the department of health and human services to verify matching funds for the temporary assistance for needy families program. In prescribing the form and manner of the report, the department shall ensure that districts are allowed to expend funds received under this section on any activities that are permissible under this
section. If a district or public school academy does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district or public school academy complies with this subsection. If the district or public school academy does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the school aid fund.

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

(10) Subject to subsections (6), (7), and (8), a district or public school academy may use the funds it receives under this section to implement tier 1, evidence-based practices in schoolwide reforms that are guided by the district's comprehensive needs assessment and are included in the district improvement plan. Schoolwide reforms must include parent and community supports, activities, and services, that may include the pathways to potential program created by the department of health and human services or the communities in schools program. As used in this subsection, "tier 1, evidence-based practices" means research based instruction and classroom interventions that are available to all learners and effectively meet the needs of most pupils.

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

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

(b) Implementing section 1280f of the revised school code, MCL 380.1280f, as required under subsection (3)–(2), with fidelity.

(12) (13) For 2021-2022, a district or public school academy that receives funds under subsection (4) or (17) may use funds received under subsection (4) or (17) for support staff providing services to at-risk pupils. For 2022-2023, 2023-2024 a district or public school academy that receives funds under subsection (4)–(3) may use funds received under subsection (4)–(3) for support staff providing services to at-risk pupils.

(13) (14) A district or public school academy that receives funds under this section may use up to 10% of the funds received under this section to provide evidence-based instruction for pre-kindergarten instructional and noninstructional services to children who meet at least 1 of the criteria in subsection (20)–(a)–(i) to (x). (18) (a)–(i) to (x).

(14) (15) If necessary, the department shall prorate payments under this section, except payments under subsection (7), (8), or, for 2021-2022, (17), (6) or (7), by reducing the amount of the allocation as otherwise calculated under this section by an equal percentage per district.
(15) (16) If a district is dissolved pursuant to section 12 of the revised school code, MCL 380.12, the intermediate district to which the dissolved district was constituent shall determine the estimated number of pupils that are economically disadvantaged and that are enrolled in each of the other districts within the intermediate district and provide that estimate to the department for the purposes of distributing funds under this section within 60 days after the district is declared dissolved.

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

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

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

(18) As used in this section:

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

(i) The pupil is economically disadvantaged.

(ii) The pupil is an English language learner.

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

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

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

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

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

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

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

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

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

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

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

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

(f) "Local school operating revenue" means that term as
Sec. 31d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $24,553,400.00 for 2021-2022-2022-2023 and there is allocated an amount not to exceed $24,553,400.00-$25,290,400.00 for 2022-2023-2023-2024 for the purpose of making payments to districts and other eligible entities under this section.

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

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

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

(5) From the federal funds appropriated in section 11, there is allocated for 2021-2022-2022-2023 all available federal funding, estimated at $900,000,000.00-$901,400,000.00, and there is allocated for 2022-2023-2023-2024 all available federal funding,
estimated at $900,000,000.00, $901,400,000.00, for child nutrition programs and, for 2021-2022, 2022-2023, all available federal funding, estimated at $30,700,000.00, $15,000,000.00, and, for 2022-2023, 2023-2024, all available federal funding, estimated at $15,000,000.00, for food distribution programs.

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

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

Sec. 31f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $12,400,000.00 $11,900,000.00 for 2021-2022 and $11,900,000.00 for 2022-2023-2023-2024 for the purpose of making payments to districts to reimburse for the cost of providing breakfast.

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

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

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

(3) The payment for a district under this section is at a per meal rate equal to the lesser of the district's actual cost or 100% of the statewide average cost of a meal served, as determined and
approved by the department, less federal reimbursement, participant payments, and other state reimbursement. Breakfast reimbursements received under section 30d. The department shall determine the statewide average cost using costs as reported in a manner approved by the department for the preceding school year.

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

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

Sec. 31j. (1) From the general fund money appropriated in section 11, there is allocated for 2023-2024 an amount not to exceed $500,000.00, and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $4,000,000.00 for 2021-2022, and from the general fund money appropriated in section 11, there is allocated an amount not to exceed $500,000.00 and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $8,800,000.00 for 2022-2023-2023-2024 for a program to support districts and other non-school sponsors in the purchase of locally grown fruits and vegetables as described in this section. It is the intent of the legislature that, for 2023-2024-2024-2025, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be $4,000,000.00.

(2) Funding under this section retained by the department for administration must not exceed 5%. Funding under this section
(3) The department shall develop and implement a competitive grant program for districts and other non-school sponsors to assist in paying for the costs incurred by the district or other non-school sponsor to purchase or increase purchases of whole or minimally processed fruits, vegetables, and legumes grown in this state. The maximum amount that may be drawn down on a grant to a district or other non-school sponsor is based on the number of meals served by the district during the previous school year under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j, or meals served by the other non-school sponsor in the previous school year. The department shall collaborate with the Michigan department of agriculture and rural development to provide training to newly participating schools and other non-school sponsors and electronic information on Michigan agriculture.

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

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

(a) For each fiscal year, were purchased for use in meals and supportive activities as part of the United States Department of Agriculture child nutrition programs provided between September 1 through August 30 of that fiscal year.
(b) Are grown in this state and, if minimally processed, are also processed in this state.

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

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

(8) The department shall give preference to districts or other non-school sponsors that propose educational activities that meet one or more of the following: promote healthy food activities; have clear educational objectives; involve parents or the community; connect to a school's or child care center's farm-to-school or farm-to-early-child-care procurement activities; and market and promote the program, leading to increased pupil knowledge and consumption of Michigan-grown products. The department shall give stronger weighting and consideration to applications with robust marketing and promotional activities.

(9) 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) Existing or planned collaboration between child care sponsors, between districts, or with agricultural businesses and essential local food infrastructure, such as farms, farm cooperatives, processors, distributors, and local food hubs.

(10) As a condition of receiving a grant under this section, a district or other non-school sponsor 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 other non-school sponsor also shall provide to the department monthly United States Department of Agriculture child nutrition reimbursable meal numbers and must retain monthly menus noting when and how Michigan-grown products were used in meals. The district or other non-school sponsor and school or non-school sponsor 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 period in which funds under this section were received, and in which federal child nutrition programs require submission of claims, each district or each non-school sponsor shall submit a report to the department on outcomes and related measurements for economic development and children's nutrition and readiness to learn. The report must include at least both of the
following:

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

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

(ii) The district or other non-school sponsor shall use purchasing data collected for the program and surveys of school and non-school sponsor food service directors on the impact and success of the program as the source for the data described in subparagraph (i).

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

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

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

(11) As a condition of receiving grants under this section, a district or other non-school sponsor shall offer meals that meet students' dietary restrictions, including the provision of gluten-free meals, vegetarian meals, vegan meals, and, upon request, kosher meals, halal meals, and meals meeting any allergy restrictions as confirmed by a doctor's note.

(12) The department shall compile the reports provided by districts and other non-school sponsors under subsection (10) into a legislative report. The department shall provide this report not later than April 1 of each fiscal year following the fiscal year for which funding is allocated under this section to the house and senate subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director.

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

Sec. 31k. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed $2,500,000.00 for payments to eligible districts as described in this section.

(2) Notwithstanding section 17b, to receive funding under this section a district must apply for the funding in a form and manner prescribed by the department by, as a first-time applicant, not
later than December 1, 2023, or, if applying through a second
application as described in subsection (6), not later than May 1,
2024.

(3) A district that demonstrates to the department that all
outstanding student-meal debt has been forgiven is an eligible
district under this section.

(4) Subject to subsection (8), the department shall provide
payments to eligible districts in an amount necessary to reimburse
the eligible districts for the cost of forgiving all outstanding
student-meal debt.

(5) Notwithstanding section 17b, the department shall make
reimbursement payments under this section as follows:

(a) Except as otherwise provided under subdivision (b),
payments under subsection (4) to all eligible districts must be
made by not later than 60 days after December 1, 2023.

(b) Payments under subsection (6) to all eligible districts
must be made by not later than 60 days after May 1, 2024, as
provided under subsection (6).

(6) Subject to subsection (8), if the amount paid to eligible
districts under subsection (4) is less than the amount allocated
under subsection (1), the department may distribute the remaining
funds to eligible districts through a second application in an
amount necessary to reimburse eligible districts for the cost of
forgiving all outstanding student-meal debt. An eligible district
receiving a reimbursement payment under subsection (4) is not
eligible for a reimbursement payment through a second application
under this subsection.

(7) An eligible district receiving payments under this section
shall adopt policies to prevent public identification or
stigmatization of pupils who cannot pay for a school meal. These policies must prohibit all of the following:

  (a) Requiring pupils who cannot pay for a school meal or who owe a student-meal debt to wear a wristband or handstamp.
  (b) Requiring pupils who cannot pay for a school meal or who owe a student-meal debt to perform chores or other work to pay for school meals.
  (c) Requiring a pupil to dispose of a meal after it has been served because the pupil is unable to pay for the meal or owes a student-meal debt.
  (d) Communicating directly with a pupil about a student-meal debt unless the district has attempted to contact, but has been unsuccessful in communicating with, a pupil's parent or legal guardian through telephone, mail, and email.
  (e) Discussing a pupil's student-meal debt in the presence of other pupils.

  (8) If the amount allocated under this section is insufficient to fully reimburse the cost of student-meal debt forgiveness for all eligible districts, the department shall prorate the reimbursement on an equal percentage per district.

Sec. 31n. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022–2023–2023–2024 for the purposes of this section an amount not to exceed $77,600,000.00–$106,545,000.00 and from the general fund money appropriated in section 11, there is allocated for 2022–2023–2023–2024 for the purposes of this section an amount not to exceed $1,300,000.00. The department and the department of health and human services shall continue a program to distribute this funding to add licensed behavioral health providers for general education
pupils, and shall continue to seek federal Medicaid match funding for all eligible mental health and support services.

(2) The department and the department of health and human services shall maintain an advisory council for programs funded 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 (6). The department shall make applications for funding for this program available to districts and intermediate districts not later than December 1 of each fiscal year for which funds are allocated under this section and shall award the funding not later than February 1 of each fiscal year for which funds are allocated...
under this section.

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

(5) From the state school aid fund money allocated under subsection (1), there is allocated for 2022-2023 an amount not to exceed $14,300,000.00 to be distributed to the network of child and adolescent health centers to place a licensed master's level behavioral health provider in schools that do not currently have services available to general education students. Child and adolescent health centers that are part of the network described in this subsection shall provide a commitment to maintain services and implement all available federal Medicaid match methodologies. The department of health and human services shall use all existing or additional federal Medicaid match opportunities to maximize funding allocated under this subsection. The department shall provide funds under this subsection to child and adolescent health centers that are part of the network described in this subsection in the same proportion that funding under section 31a(7) 31a(6) is provided to child and adolescent health centers that are located and operating in those districts. A payment from funding
allocated under this subsection must not be paid to an entity that 

is not part of the network described in this subsection.

(6) From the state school aid fund money allocated under 

subsection (1), there is allocated for 2023-2024 an 

amount not to exceed $62,800,000.00 to be 
distributed to intermediate districts for the provision of mental 

health and support services to general education students. If a 
district or intermediate district is not able to procure the 
services of a licensed master's level behavioral health provider, 
the district or intermediate district shall notify the department 
and the department of health and human services and, if the 
department and department of health and human services verify that 
the district or intermediate district attempted to procure services 
from a master's level behavioral health provider and was not able 
to do so, then the district or intermediate district may instead 
procure services from a provider with less than a master's degree 
in behavioral health. To be able to use the exemption in the 

immediately preceding sentence, the district or intermediate 
district must submit evidence satisfactory to the department and 
department of health and human services demonstrating that the 
district or intermediate district took measures to procure the 
services of a licensed master's level behavioral health provider 
but was unable to do so, and the department and department of 
health and human services must be able to verify this evidence. 

From the first $53,496,800.00 to of the funds allocated 

under this subsection, the department shall distribute $955,300.00 

$1,003,100.00 for 2023-2024 to each intermediate district 

that submits a plan approved by the department and the department 
of health and human services. The department shall distribute the
remaining $9,303,200.00–$35,571,400.00 of the funds allocated under this subsection for 2022-2023–2023-2024 to intermediate districts on an equal per-pupil basis based on the combined total number of pupils in membership in the intermediate district and its constituent districts, including public school academies that are considered to be constituent districts under section 705(7) of the revised school code, MCL 380.705. The department and department of health and human services shall work cooperatively in providing oversight and assistance to intermediate districts during the plan submission process and shall monitor the program upon implementation. An intermediate district shall use funds awarded under this subsection to provide funding to its constituent districts, including public school academies that are considered to be constituent districts under section 705(7) of the revised school code, MCL 380.705, for the provision of mental health and support services to general education students. In addition to the criteria identified under subsection (7), an intermediate district shall consider geography, cost, or other challenges when awarding funding to its constituent districts. Districts receiving funding under this subsection are encouraged to provide suicide prevention and awareness education and counseling. If funding awarded to an intermediate district remains after funds are provided by the intermediate district to its constituent districts, the intermediate district may hire or contract for experts to provide mental health and support services to general education students residing within the boundaries of the intermediate district, including, but not limited to, expanding, hiring, or contracting for staff and experts to provide those services directly or to increase access to those services through coordination with outside
mental health agencies; the intermediate district may also contract
with 1 or more other intermediate districts for coordination and
the facilitation of activities related to providing mental health
and support services to general education students residing within
the boundaries of the intermediate district; and the intermediate
district is encouraged to provide suicide prevention and awareness
education and counseling.

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

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

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

(c) The district's commitment to adhere to any local funding
requirements determined by the department and the department of
health and human services.
(d) The extent of the district's existing partnerships with community health care providers or the ability of the district to establish such partnerships.

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

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

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

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

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

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

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

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

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

(a) For 2022-2023, 2023-2024, an amount not to exceed $1,000,000.00 for the purpose of upgrading technology and systems infrastructure and other administrative requirements to support the programs funded under this section.
(b) For 2022-2023, 2023-2024, an amount not to exceed $300,000.00 for the purpose of administering the programs under this section and working on generating additional Medicaid funds as a result of programs funded under this section.

(10) From the state school aid fund money allocated under subsection (1), there is allocated for 2022-2023 2023-2024 an amount not to exceed $500,000.00 to intermediate districts on an equal per intermediate district basis for the purpose of administering programs funded under this section.

(11) The department and the department of health and human services shall work with the advisory council to develop proposed measurements of outcomes and performance. Those measurements must include, at a minimum, the number of pupils served, the number of schools served, and where those pupils and schools were located. The department and the department of health and human services shall compile data necessary to measure outcomes and performance, and districts and intermediate districts receiving funding under this section shall provide data requested by the department and department of health and human services for the measurement of outcomes and performance. The department and department of health and human services shall provide an annual report not later than December 1 of each year to the house and senate appropriations subcommittees on school aid and health and human services, to the house and senate fiscal agencies, and to the state budget director. At a minimum, the report must include measurements of outcomes and performance, proposals to increase efficacy and usefulness, proposals to increase performance, and proposals to expand coverage.

(12) A district or intermediate district that receives funding
directly or indirectly under this section may carry over any
unexpended funds received under this section for up to 2 fiscal
years beyond the fiscal year in which the funds were received.

Sec. 31o. (1) From the state school aid fund money
appropriated in section 11, there is allocated for 2021-2022 an
amount not to exceed $240,000,000.00 for payments to eligible
districts and intermediate districts for the purpose of increasing
the number of school psychologists, school social workers, school
counselors, and school nurses serving students in this state.

(2) Except as otherwise provided in this subsection, to
receive funding under this section, a district or intermediate
district must apply for the funding in a form and manner prescribed
by the department. In its application for funding under this
section, a district or intermediate district must pledge and
provide assurances to the department that it will fully annually
fund all staff that are supported with funding under this section
in an ongoing manner after the district or intermediate district
receives its final payment under this section.

(3) The department shall award funding to districts and
intermediate districts with the greatest need for additional school
psychologists, school social workers, school counselors, or school
nurses. To determine the districts and intermediate districts with
the greatest needs under this subsection, the department shall
consider the physical and mental health services available at the
district or intermediate district and how close an applicant
district or intermediate district is to meeting the following
recommended staff-to-student ratios:

(a) 1 school psychologist for every 500 full-time equated
pupils counted in the district or directly served by the
intermediate district.

(b) 1 school social worker for every 250 full-time equated pupils counted in the district or directly served by the intermediate district.

(c) 1 school counselor for every 250 full-time equated pupils counted in the district or directly served by the intermediate district.

(d) 1 school nurse for every 750 full-time equated pupils counted in the district or directly served by the intermediate district.

(4) To be eligible for funding under this section, a district or intermediate district must hire additional school psychologists, school social workers, school counselors, or school nurses by March 1, 2024 and must maintain support for the new staff or, as determined by the department, staff hired to replace the new staff, in an ongoing manner. As determined by the department, staff hired and supported by funding under this section must meet all applicable state and federal laws, rules, and license requirements to be considered a school psychologist, school social worker, school counselor, or school nurse.

(5) Subject to subsections (6) and (7), payments to eligible districts and intermediate districts must be made as follows:

(a) For staff hired before March 1, 2022, or staff hired to replace that staff, the department shall provide payments to eligible districts and intermediate districts equal to 100% of the annualized cost of newly hired school psychologists, school social workers, school counselors, or school nurses. The amount paid to the eligible district and intermediate district must be the lesser of the actual annualized cost of the employee, as determined by the
department, or the median wage for an equivalent employee working in a school setting, as determined by the department, using wage data from the United States Bureau of Labor Statistics that is specific to this state.

(b) For retained staff hired with funds under subdivision (a) or hired between March 1, 2022 and March 1, 2023, or staff hired to replace that staff, the department shall pay eligible districts and intermediate districts 66% of the annualized cost of newly hired school psychologists, school social workers, school counselors, or school nurses. The amount paid to the eligible district or intermediate district must be the lesser of 66% of the actual annualized cost of the employee, as determined by the department, or 66% of the median wage for an equivalent employee working in a school setting, as determined by the department, using wage data from the United States Bureau of Labor Statistics that are specific to this state.

(c) For retained staff hired or retained with funds under subdivision (a) or (b) or hired between March 1, 2023 and March 1, 2024, or staff hired to replace that staff, the department shall pay eligible districts or intermediate districts 33% of the annualized cost of newly hired school psychologists, school social workers, school counselors, or school nurses. The amount paid to the eligible district or intermediate district must be the lesser of 33% of the actual annualized cost of the employee, as determined by the department, or 33% of the median wage for an equivalent employee working in a school setting, as determined by the department, using wage data from the United States Bureau of Labor Statistics that are specific to this state.

(6) If a district or intermediate district does not retain
staff or staff hired to replace that staff hired with funds under subsection (5)(a), the district is not eligible to receive funding for that staff member under subsection (5)(b) or (c).

(7) If, after awarding funding under subsection (3) and calculating payment amounts under subsection (5), the department determines that the amount allocated in subsection (1) is insufficient to fully fund payments under this section, the department shall prorate payments to eligible districts and intermediate districts on an equal percentage basis.

(8) The funds allocated under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023. The purpose of the work project is to increase the number of school psychologists, school social workers, school counselors, and school nurses in school buildings. The estimated completion date of the work project is September 30, 2024.

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

Sec. 31p. (1) From the federal funding appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed $50,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for grants to intermediate districts to implement a TRAILS program as described in subsection (2).

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

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

(4) The department shall award, in an equal amount, grants under this section to each intermediate district that has an approved grant application for funding under this section. Intermediate districts must use funds received under this section for a direct partnership with the TRAILS program described in subsection (2). contract with and forward to the TRAILS program described in subsection (2) an amount equal to the amount awarded to the intermediate district under this subsection. The TRAILS program must use funding received from intermediate districts under this subsection to satisfy the terms of the contracts with the intermediate districts on a statewide basis.

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

(6) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue support for the TRAILS program. The estimated completion date of the work project is December 31, 2026.

(7) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts.

Sec. 31aa. (1) From the state school aid fund money
appropriated in section 11, there is allocated $150,000,000.00 for 2022-2023-2023-2024 only to provide payments to districts for activities to improve student mental health. Fifty percent of the funds allocated in this section are distributed to districts during 2023-2024 and 50% are distributed during 2024-2025. The allowable expenditures of funds under this section include, but are not limited to, the following:

(a) Hiring or contracting for support staff for student mental health needs, including, but not limited to, school psychologists, social workers, counselors, and school nurses.
(b) Purchasing and implementing mental health screening tools.
(c) Providing school-based mental health personnel access to consultation with behavioral health clinicians to respond to complex student mental health needs.
(d) Any other mental health service or product necessary to improve or maintain the mental health of students and staff.

(2) From the allocation under subsection (1), the department shall make payments to districts in an equal amount per pupil based on the total number of pupils in membership in each district.

(3) If funding remains after the distribution of funds as described in subsection (2), the department may provide additional per-pupil allocations to allocate remaining dollars, using for those calculations the same requirements described in subsection (2).

(4) Except as otherwise provided in this section, to receive funding under this section, districts must apply for funding under this section in a form and manner prescribed by the department. In its application described in this subsection, a district or intermediate district, as applicable, shall document how it or, if
an intermediate district is applying, its constituent district, will use community input to guide the expenditure of the funds it or the constituent district will receive under this section and it shall pledge to host, or shall pledge on behalf of its constituent district that the constituent district will host, at least 1 community conversation about student mental health and school safety. With consent of its constituent districts, an intermediate district may apply for funding under this section on behalf of its constituent districts. As used in this section, "constituent district" means that term as defined in section 3 of the revised school code, MCL 380.3.

(5) Districts receiving funds under this section must coordinate with intermediate school districts to avoid duplication of services and to streamline delivery of mental health services to students.

(6) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue the support of mental health programs described in this section. The estimated completion date of the work project is September 30, 2025.

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

Sec. 31ff. (1) From the state school aid fund money appropriated in section 11, there is allocated $2,000,000.00 for 2023-2024 only for districts to partner with an eligible nonprofit organization to support delivery of high-dosage neighborhood-based tutoring and direct noninstructional services for at-risk pupils 3
to 12 years of age. Funding under this section is intended to ensure 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 all participants are kindergarten ready, and that pupils are prepared to attend school regularly. Funding under this section is intended to support communities in meeting service gaps for children unable to access 21st century community learning center programs due to transportation barriers.

(2) Districts that receive funding under this section must use an amount equal to the amount awarded under this section to contract with an eligible nonprofit organization. A nonprofit organization is eligible for purposes of this section if it meets all of the following criteria:

(a) It operates in Detroit.
(b) It employs a community model that includes all of the following:
   (i) It evaluates a kid success-ready neighborhood.
   (ii) It invites community input.
   (iii) It renovates a house in the neighborhood.
   (iv) It holds goal-setting meetings with the family of each participating child.
   (v) It partners with organizations to collect data and facilitate a rigorous evaluation.
(c) It has the capacity to show evidence of improvements.
(d) It has systems to support early learning and K to 3 school referrals.
(e) It has an understanding of assessments and growth measures used in this state.

(3) Funding under this section must be spent on staffing to
support the delivery of support and wraparound services. Funding under this section must not be used to supplant early learning or K to 3 program staff.

(4) As used in this section, "at-risk pupil" means that term as defined under section 31a.

Sec. 31gg. From the general fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $100.00 for the Kids Kicking Cancer Program.

Sec. 32d. (1) From the state school aid fund money appropriated in section 11, there is allocated to eligible intermediate districts and consortia of intermediate districts for great start readiness programs an amount not to exceed $369,120,000.00 for 2022-2023 and an amount not to exceed $529,820,000.00 for 2023-2024. In addition, from the federal funding appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed $83,000,000.00, from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to eligible intermediate districts and consortia of intermediate districts for great start readiness programs. An intermediate district or consortium shall use funds allocated under this section for great start readiness programs to provide part-day, school-day, or GSRP/Head Start blended comprehensive free compensatory classroom programs designed to improve the readiness and subsequent achievement of educationally disadvantaged children who meet the participant eligibility and prioritization guidelines as defined by the department. For a child to be eligible to participate in a program under this section, the child must be at least 4, but less than 5, years of age as of
September 1 of the school year in which the program is offered and
must meet those eligibility and prioritization guidelines. A child
who is not 4 years of age as of September 1, but who will be 4
years of age not later than December 1, is eligible to participate
if the child's parent or legal guardian seeks a waiver from the
September 1 eligibility date by submitting a request for enrollment
in a program to the responsible intermediate district, if the
program has capacity on or after September 1 of the school year,
and if the child meets eligibility and prioritization guidelines.

(2) From the state school aid fund money allocated under
subsection (1), an amount not to exceed $367,120,000.00 for 2022-
2023 and $527,820,000.00 for 2023-2024, and from the federal funds
allocated under subsection (1), an amount not to exceed
$83,000,000.00 for 2022-2023, is allocated to intermediate
districts or consortia of intermediate districts based on the
formula in section 39. An intermediate district or consortium of
intermediate districts receiving funding under this section shall
act as the fiduciary for the great start readiness programs. An
intermediate district or consortium of intermediate districts
receiving funding under this section may collaborate with local
governments to identify children eligible for programs funded under
this section and may contract with local governments to provide
services. In order to be eligible to receive funds allocated under
this subsection from an intermediate district or consortium of
intermediate districts, a district, a consortium of districts, a
local government, or a public or private for-profit or nonprofit
legal entity or agency must comply with this section and section
39. The funds allocated under this subsection for 2022-2023 are a
work project appropriation, and any unexpended funds for 2022-2023
are carried forward into 2023-2024. The purpose of the work project is to continue to improve access to preschool programming for economically disadvantaged children. The estimated completion date of the work project described in the immediately preceding sentence is September 30, 2024.

(3) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed $350,000.00—$500,000.00 for 2022-2023 and $600,000.00 for 2023-2024 for a competitive grant to continue a longitudinal evaluation of children who have participated in great start readiness programs.

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

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

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

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

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

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

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

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

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

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

(j) Participation in this state's great start to quality process with a rating of at least, for 2022-2023, 3 stars, and, for 2023-2024, enhancing quality level.

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

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

(b) Except as otherwise provided in this subdivision, ensure that at least 85% of the children participating in an eligible
great start readiness program for whom the intermediate district is receiving funds under this section are children who live with families with a household income that is equal to or less than, for 2022-2023, 250%, and, for 2023-2024, 275%, of the federal poverty guidelines. If the intermediate district determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than, for 2022-2023, 250%, and, for 2023-2024, 275%, of the federal poverty guidelines, the intermediate district may then enroll children who live with families with a household income that is equal to or less than, for 2022-2023, 300% and, for 2023-2024, 400%, of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subdivision, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than, for 2022-2023, 250%, and, for 2023-2024, 275%, of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile.

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

(i) Teachers possessing proper training. A lead teacher must have a valid Michigan teaching certificate with an early childhood or lower elementary endorsement or a bachelor's or higher degree in child development or early childhood education with specialization in preschool teaching. However, if an applicant demonstrates to the
department that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, teachers or paraprofessionals with at least 5 years of experience as a paraprofessional in a great start readiness program classroom who have significant but incomplete training in early childhood education or child development may be used if the applicant provides to the department, and the department approves, a plan for each teacher to come into compliance with the standards in this subparagraph. **Beginning 2023-2024, for purposes of the immediately preceding sentence, individuals may also qualify with at least 3 years of experience based on the recommendation of the intermediate district after a classroom observation.** A teacher's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses per calendar year.

(ii) Paraprofessionals possessing proper training in early childhood education, including an associate degree in early childhood education or child development or the equivalent, or a child development associate (CDA) credential. However, if an applicant demonstrates to the department that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, the applicant may use paraprofessionals who have completed at least 1 course that earns college credit in early childhood education or child development **or, beginning 2023-2024, enrolls in a child development associate credential with at least 6 months of verified experience in early education and care,** if the applicant provides to the department, and the department approves, a plan for each paraprofessional to come into compliance with the standards in this subparagraph. A paraprofessional's compliance plan must be
completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses or 60 clock hours, or, beginning 2023-2024, the equivalent, of training per calendar year.

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

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

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

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

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

(10) An intermediate district or consortium of intermediate districts may expend not more than 2% of the total grant amount for outreach, recruiting, and public awareness of the program, beginning 2023-2024, if they are also participating in related statewide marketing and outreach efforts.

(11) Each grant recipient shall enroll children identified under subsection (5)(b) according to how far the child's household income is below, for 2022-2023, 250%, and, for 2023-2024, 275%, of the federal poverty guidelines by ranking each applicant child's household income from lowest to highest and dividing the applicant children into quintiles based on how far the child's household income is below, for 2022-2023, 250%, and, for 2023-2024, 275%, of the federal poverty guidelines, and then enrolling children in the quintile with the lowest household income before enrolling children in the quintile with the next lowest household income until slots are completely filled. If the grant recipient determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income
that is equal to or less than, **for 2022-2023**, 250%, and, **for 2023-2024**, 275%, of the federal poverty guidelines, the grant recipient may then enroll children who live with families with a household income that is equal to or less than, **for 2022-2023**, 300%, and, **for 2023-2024**, 400%, of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subsection, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than, **for 2022-2023**, 250%, and, **for 2023-2024**, 275%, of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile.

(12) An intermediate district or consortium of intermediate districts receiving a grant under this section shall allow parents of eligible children who are residents of the intermediate district or within the consortium to choose a program operated by or contracted with another intermediate district or consortium of intermediate districts and shall enter into a written agreement regarding payment, in a manner prescribed by the department.

(13) An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total allocation. For the purposes of this 30% allocation, an intermediate district or consortium of intermediate districts may
count children served by a Head Start grantee or delegate in a blended Head Start and great start readiness school-day program. Children served in a program funded only through Head Start are not counted toward this 30% allocation. The intermediate district or consortium shall report to the department, in a manner prescribed by the department, a detailed list of community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district, and the number and proportion of its total allocation allocated to each provider as subrecipient. If the intermediate district or consortium is not able to contract for at least 30% of its total allocation, the grant recipient shall notify the department and, if the department verifies that the intermediate district or consortium attempted to contract for at least 30% of its total allocation and was not able to do so, then the intermediate district or consortium may retain and use all of its allocation as provided under this section. To be able to use this exemption, the intermediate district or consortium shall demonstrate to the department that the intermediate district or consortium increased the percentage of its total allocation for which it contracts with a community-based provider and the intermediate district or consortium shall submit evidence satisfactory to the department, and the department must be able to verify this evidence, demonstrating that the intermediate district or consortium took measures to contract for at least 30% of its total allocation as required under this subsection, including, but not limited to, at least all of the following measures:

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

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

(c) The intermediate district or consortium provided to the
public and to participating families a list of community-based
great start readiness program subrecipients with a great start to
quality rating of at least, for 2022-2023, 3 stars, and, for 2023-
2024, enhancing quality level.

(14) If an intermediate district or consortium of intermediate
districts receiving a grant under this section fails to submit
satisfactory evidence to demonstrate its effort to contract for at
least 30% of its total allocation, as required under subsection
(13), the department shall reduce the allocation to the
intermediate district or consortium by a percentage equal to the
difference between the percentage of an intermediate district's or
consortium's total allocation awarded to community-based providers
and 30% of its total allocation.

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

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

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

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

(d) Not later than March 1 of each year, compile the results of the information reported by each intermediate district or consortium under subsection (13) and report to the legislature and, beginning 2023-2024, post on a publicly available website, a list by intermediate district or consortium with the number and percentage of each intermediate district's or consortium's total allocation allocated to community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district.

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

(17) As used in this section:

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

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

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

(d) "School-day program" 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, for 2022-2023, 250%, and, for
2023-2024, 275%, 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 2022-2023 an amount not to exceed $10,000,000.00 and
there is allocated for 2023-2024 an amount not to exceed
$28,000,000.00 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, for 2022-2023, $300.00, and, for 2023-
2024, $500.00, multiplied by the number of children funded for the
program under this section. If the amount allocated under this
subsection is insufficient to fully reimburse the transportation
costs for all programs that provide transportation and submit the
required information, the department shall prorate the
reimbursement in an equal amount per child funded. The department
shall make payments to the intermediate district that is the fiscal
agent for each program, and the intermediate district shall then
reimburse the program provider for transportation costs as
prescribed under this subsection.

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

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

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

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

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

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

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

(24) From the funds allocated under subsection (1), there is allocated for 2022-2023 an amount not to exceed $2,000,000.00 and there is allocated for 2023-2024 an amount not to exceed $2,000,000.00 for payments to intermediate districts or consortia of intermediate districts for professional development and training materials for educators in programs implementing new curricula or child assessment tools approved for use in the great start readiness program.

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

(26) In addition to the allocation under subsection (1), from the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed $63,500,000.00 for 2022-2023 only for classroom start up grants to intermediate districts and consortia of intermediate districts for new or expanding great start readiness classrooms. All of the following apply to funding allocated under this subsection:

(a) To receive funding under this subsection, intermediate districts and consortia of intermediate districts must apply for the funding in a form and manner prescribed by the department.

(b) The department shall pay an amount not to exceed $25,000.00 for each new or expanded classroom. If funding is not sufficient to fully fund all eligible applicants, the department must prorate the per-classroom amount on an equal basis. If the
allocation is not fully paid in the current fiscal year, the department may award any remaining funding during fiscal year 2023-2024 for each new or expanded classroom at an equal amount per classroom, based on remaining available funds, not to exceed $25,000.00 per classroom.

(c) Funds received under this subsection by intermediate districts and consortia of intermediate districts must be paid in full to the entity operating the classroom and may be used for any of the following purposes:

(i) Costs associated with attracting, recruiting, retaining, and licensing required classroom education personnel to staff new or expanded classrooms.

(ii) Supporting facility improvements or purchasing facility space necessary to provide a safe, high-quality learning environment for children in each new or expanded classroom.

(iii) Outreach material necessary for public awareness that the great start readiness program has openings in the area and for costs associated with enrolling eligible children in new or expanded classrooms.

(iv) Supporting costs in each new or expanded classroom associated with improving a provider's great start to quality rating.

(d) The funds allocated under this subsection for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 do not lapse to the state school aid fund and are carried forward into 2023-2024. The purpose of the work project is to continue support for new or expanded great start readiness classrooms. The estimated completion date of the work project is September 30, 2024.
(27) In addition to the funds allocated in subsection (1), from the state school aid fund money appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed $75,000,000.00 to expand the hours and weeks of great start readiness program teacher-child contact time beyond the school-day program levels described in subsection (17). All of the following apply to the funding described in this subsection:

(a) To receive a grant under this subsection, great start readiness program providers must apply for the grant in a form and manner prescribed by the department. Eligible applicants must increase the program week from 4 days to 5 days and add additional weeks to the program year or establish partnerships with the child development and care program to create full-day, full-year programming.

(b) For each eligible expanded program described in this subsection, the department shall pay a 1-time expansion grant equal to $75,000.00. If funding allocated in this subsection is not sufficient to fully fund all eligible applicants, the department shall prioritize funding toward programs in intermediate districts with the highest levels of poverty.

(c) The funds allocated under this subsection for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to expand participation in preschool programming. The estimated completion date of the work project is September 30, 2027.

(28) In addition to the funds allocated in subsection (1), there is allocated from the state school aid fund money appropriated under section 11 for 2022-2023 only an amount not to
exceed $10,000,000.00 for a consortium of intermediate districts to
partner with the department and community-based organizations to
implement a multiyear statewide campaign to raise awareness about
the availability of services through the great start readiness
program, and to develop systems to identify and reach out to
eligible families. All of the following apply to funding under this
subsection:

(a) Funding under this section must be used for the following
purposes:

(i) Implementing a statewide outreach campaign to make families
aware of the availability of the great start readiness program.

(ii) Organizing community events and outreach activities to
inform parents about the availability of the great start readiness
program, the positive impacts of early childhood education, and
additional early childhood programs available to families.

(iii) Developing and implementing a statewide website that
allows providers to advertise available great start readiness slots
and allows families to connect with providers to fill open slots.
The website must include information about additional early
childhood programs for families, including, but not limited to, the
child development and care program and Head Start.

(b) The funds allocated under this subsection for 2022-2023
are a work project appropriation, and any unexpended funds for
2022-2023 are carried forward into 2023-2024. The purpose of the
work project is to raise awareness of and participation in great
start readiness programming. The estimated completion date of the
work project is September 30, 2027.

(c) Notwithstanding section 17b, the department shall make
payments under this subsection on a schedule determined by the
Sec. 32n. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed $25,000,000.00, and from the federal funding appropriated under section 11, there is allocated for 2022-2023-2024 only an amount not to exceed $25,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for the purposes of this section. The department shall develop a competitive grant program to distribute this funding to eligible entities, as described in subsection (2), as prescribed under this section.

(2) The department shall establish competitive grant criteria for the grant program described in subsection (1) for eligible applicants to expand access to quality, affordable programming before and after the school day or during the summer for young people. To be eligible for a grant under this section, the applicant must meet, at a minimum, all of the following criteria:

(a) Serve children in any of grades K to 12.

(b) Be a community-based organization that is exempt from federal income tax under section 501(c)(3) of the internal revenue code, 26 USC 501, an institution of higher education, a community or adult education program, a public library, a local government, or an intermediate district.

(c) Provide before-school, after-school, before-and-after-school, or summer school programming to children described in subdivision (a). These programs must be used to support expanded learning opportunities, including, but not limited to, mentoring, leadership, community engagement, agriculture, art, music,
literacy, science, technology, engineering, mathematics, health, and recreation programming.

(d) Address measurable goals, including, but not limited to, improved school attendance, academic outcomes, positive behaviors, and skill acquisition, and include activities linked to research or quality practices.

(3) The department shall establish a competitive grant process for awarding funding under this section. The process must be posted publicly at least 30 days prior to the grant application period. The department shall develop the form and manner for applying for the grants. The application must include a request for information on the applicant's outreach to children, youth, and families who are eligible for free or reduced-price meals under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j. The application must be open for not less than 30 calendar days. At least 30 days before the application is opened, the department must publish on its public website the criteria that will be used in evaluating the application that must include, but are not limited to, priorities under subsection (5).

(4) Subject to subsection (8), in determining award amounts under this subsection, the department shall, to the extent practicable, ensure that eligible entities in all geographic regions of this state are represented in the distribution of grant funding under this section.

(5) Subject to subsection (8), the department shall prioritize the distribution of grant funding under this section based on, at a minimum, the following:

(a) An applicant's demonstrated need.

(b) The percentage of low-income families in the geographic
area being served. Prioritization must be determined by the average percentage of pupils in the district who are eligible for free and reduced-priced meals as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j, where eligible entities will provide before-and-after-school or summer school programs.

(c) Whether the application provides services for the full school year.

(d) The applicant's track record for providing quality, affordable before-and-after-school or summer school services.

(e) Whether an applicant serving children in any of grades K through 8 is licensed or is in the process of becoming licensed or has implemented the Michigan State Board of Education Michigan Out-of-School Time Standards of Quality. This does not preclude a nonlicensed entity from applying for funding under this section and being funded under this section.

(6) Subject to subsection (7), an eligible entity that receives grant funding under this section shall use the funding only to provide before-school, after-school, before-and-after-school, or summer school programming to children described in subsection (2)(a). The programming offered under this subsection must meet all of the following:

(a) Be provided to children in a manner in which the children are physically present at a building or location designated by the eligible entity.

(b) Provide educational programming in core subject areas, including, but not limited to, mathematics, reading, and science.

(c) Provide data to evaluate the program in a form and manner as prescribed by the department.
(7) Subject to subsections (2), (4), and (5), up to 2% of federal funding allocated under this section must be allocated to a nonprofit entity with experience serving youth-serving organizations to provide start-up grants and capacity building, professional development, and technical assistance for implementation of high-quality, evidence-based out-of-school time learning opportunities.

(8) The department shall award no less than 60% of the federal funding under this section to community-based organizations.

(9) Notwithstanding section 17b, the department shall make payments under this section in full upon grant award. Grantees that do not comply with reporting requirements, fail to provide the services proposed in their grant application, or close during the grant period may be required to repay the funding they received under this section to the department.

(10) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts.

Sec. 32o. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed $25,000,000.00, and from the general fund money appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed $500,000.00 as provided under this section.

(2) From the state school aid fund money allocated in subsection (1), $25,000,000.00 must be paid to Clinton County RESA to distribute to eligible applicants as directed by the MOST Council.

(3) From the general fund money allocated under subsection
(1), $300,000.00 must be utilized by the department to support the administration of the MOST Council and $200,000.00 must be provided to the Michigan Association of United Ways for the Michigan Afterschool Partnership to administer quality supports, workforce participation, and evaluation, and to ensure family, youth, and parent or legal guardian engagement.

(4) The Michigan Out-of-School-Time Council is created within the department. All of the following apply with regard to the MOST Council:

(a) The MOST Council shall develop and adopt a statewide strategy and annually shall review and make recommendations concerning changes to the strategy to the governor, the legislature, and the department concerning the delivery of OST programs to K to 12 pupils.

(b) The MOST Council shall meet in public at least 4 times annually.

(c) The MOST Council shall include, at least, all of the following members, appointed by the governor:

(i) An intermediate district or district administrator.

(ii) An individual representing a statewide community-based organization that provides an OST program.

(iii) Two members representing a local or regional community-based organization that provides OST programs.

(iv) An individual representing a regional intermediary for OST programs.

(v) A parent or legal guardian of a child in an OST program.

(vi) A youth participant or former participant in an OST program.

(vii) An individual representing the business community.
(viii) An individual representing a philanthropic organization who is investing in OST programs.

(ix) A representative of the child care licensing bureau at the department of licensing and regulatory affairs.

(x) A representative of the MiSTEM Network or the department of labor and economic opportunity.

(xi) A representative of the department of health and human services.

(xii) A representative of the Michigan Economic Development Corporation or the Michigan Future Talent Council.

(xiii) The superintendent of public instruction or the superintendent’s designee.

(xiv) The director of the Michigan After School Partnership (MASP) or the director’s designee.

(xv) Two members of the house of representatives, recommended by the speaker of the house of representatives and the minority leader of the house of representatives, who will serve as ex-officio members without voting privileges.

(xvi) Two members of the senate, recommended by the majority and minority leaders of the senate, who will serve as ex-officio members without voting privileges.

(xvii) The governor or the governor’s designee, who will serve as ex-officio members without voting privileges.

(d) Subject to subsection (6), the MOST Council shall make funding recommendations for the funds allocated under subsection (1) by December 1 of each fiscal year. Each funding recommendation must be for a program approved by the MOST Council.

(e) The MOST Council shall work with the Michigan After School Partnership (MASP) to develop locally and regionally developed
programs and professional learning experiences for the programs approved as described in subdivision (d).

(f) The MOST Council shall work with the department to implement the statewide strategy adopted by the MOST Council.

(5) If the MOST Council is unable to make funding recommendations by December 1 of a fiscal year as described in subsection (4)(d), the department shall work with the intermediate district identified in subsection (2) to allocate funds under subsection (1) on a competitive grant basis that at least follows the statewide strategy described in subsection (4). Each grant must provide for OST programs for pupils.

(6) The statewide strategy described in subsection (4) must include at least the following criteria:

(a) The development and annual updating of a statewide strategy for moving the state to universal access and equitable participation by youth in OST programs, including funding and statutory recommendations necessary to aid such efforts.

(b) The development of a process related to funding to be used for competitive grants, including creating an application process, setting funding priorities, determining criteria and a review process for evaluating applications and for awarding grants, and approving grant awards. For 2023-2024 only, the process described in this subdivision must include the following criteria:

(i) Establishing competitive grant criteria for eligible applicants to expand access to quality, affordable programming before and after the school day, and during the summer for young people. The grant criteria must require that an applicant meet, at a minimum, all of the following criteria:

(A) Serve children in any of grades K to 12.
(B) Be a community-based organization that is exempt from federal income tax under section 501(c)(3) of the internal revenue code, 26 USC 501, or a district, intermediate district, or partnership of districts or intermediate districts with a community-based organization or organizations, a statewide or regional intermediary entity, an institution of higher education, a community or adult education program, a public library, or a local government.

(C) Provide before-school, after-school, summer programming, or before-and-after-school and summer programming to children described in sub-subparagraph (A). These programs must be used to support expanded learning opportunities, including, but not limited to, mentoring, leadership, community engagement, agriculture, art, music, literacy, science, technology, engineering, mathematics, health, and recreation programming.

(ii) The process must be posted publicly at least 30 days before the opening of the grant application period and must include the form and manner for applying for the grants and the criteria that will be used for application review. The application must include a request for information on the applicant's outreach to children, youth, and families who qualify for free- or reduced-price lunch. The application must be open for at least 30 calendar days. The criteria for evaluating applications as described in this subparagraph must include, but are not limited to, priorities described in subparagraph (iv).

(iii) The process must provide that, in determining award amounts under this section, the MOST Council shall, to the extent practicable, ensure that eligible grant recipients in all geographic regions of this state are represented in the
distribution of grant funding under this section.

(iv) The process must provide that the MOST Council shall prioritize the distribution of grant funding under this section based on, at a minimum, the following:

(A) An applicant's demonstrated need.

(B) The percentage of low-income families in the geographic area being served. Prioritization under this sub-subparagraph must be determined by the average percentage of pupils in the district where eligible entities will provide before-and-after-school or summer programs who are eligible for free- and reduced-priced meals as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j.

(C) Whether the application provides services for the full school year.

(D) The applicant's track record for providing quality, affordable before-and-after-school or summer services.

(v) The process must provide that an eligible grant recipient that receives grant funding under this section shall use the funding only to provide before-school, after-school, or before-and-after-school programming, or summer programming to children described in subparagraph (i)(A). The programming offered under this subparagraph must meet all of the following:

(A) Be provided to children in a manner in which the children are physically present at a building or location designated by the eligible entity.

(B) Provide educational programming in core subject areas, including, but not limited to, mathematics, reading, and science.

(C) Provide data to evaluate the program in a form and manner as prescribed by the MOST Council.
(vi) The process must provide that the MOST Council shall ensure at least 60% of the funding is awarded to OST programs operated by community-based organizations.

(vii) The process must provide that, notwithstanding section 17b, the intermediate district under subsection (2) shall make payments under this section in full, upon grant award, including reimbursing for pre-award expenses beginning October 1 of the fiscal year in which funding under this section is allocated. Grantees that do not comply with reporting requirements, fail to provide the services proposed in their grant application, or close during the grant period may be required to repay the funding they received under this section to the department.

(viii) Notwithstanding section 17b, the process must provide that payment must be made in full to the intermediate district under subsection (2), must be made in a manner determined by the department, and must be distributed by not later than November 30 of the fiscal year in which funding under this section is allocated.

(c) Annual reporting of programs that received funding and the MOST Council's activities.

(d) With the department, monitoring the administration of funding usage and ensuring the implementation of funding is consistent with the terms of acceptance.

(7) As used in this section:

(a) "MOST Council" means the Michigan Out-of-School-Time Council created in subsection (4).

(b) "OST" means the out-of-school-time programs.

Sec. 32p. (1) From the 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 2022-2023-2023-2024 for the purpose of providing early childhood funding to intermediate districts to support the goals and outcomes under subsection subsections (2) and subsection (4), at the discretion of the intermediate district, and to provide supports for early childhood programs for children from birth through age 8.

It is the intent of the legislature that the amount allocated under this section for 2024-2025 will be $13,400,000.00. 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-family coalition that includes an active partnership with at least 1 community-based organization. The goal of each great start collaborative and parent-family coalition is to ensure the coordination and expansion of local early childhood systems and programs that allow every child in the community to achieve the following outcomes:

(a) Children born healthy.

(b) Children healthy, thriving, and developmentally on track from birth to grade 3.

(c) Children developmentally ready to succeed in school at the time of school entry.
(d) Children prepared to succeed in fourth grade and beyond by reading proficiently by the end of third grade.

(3) Each local great start collaborative and parent-family coalition shall convene workgroups to make recommendations about community services designed to achieve the outcomes described in subsection (2) and to ensure that its local great start system includes the following supports for children from birth through age 8:

(a) Physical and social-emotional health.

(b) Social-emotional health.

(b) (c) Family supports, including, but not limited to, the provision of basic needs and economic self-sufficiency.

(c) (d) Parent leadership and family engagement.

(d) (e) Early education, including the child's development of skills linked to success in foundational literacy, and care.

(e) Community infrastructure.

(4) From the funds allocated in subsection (1), at least $2,500,000.00 to $4,500,000.00 must be used for the purpose of providing home visits to at-risk children and their families. It is the intent of the legislature that the amount allocated under this subsection for 2024-2025 will be $2,500,000.00. The home visits must be conducted as part of a locally coordinated, family-centered, evidence-based, data-driven home visit strategic plan that is approved by the department. The goals of the home visits funded under this subsection are to improve school readiness using evidence-based methods, including a focus on developmentally appropriate outcomes for early literacy, to improve positive parenting practices, and to improve family economic self-sufficiency while reducing the impact of high-risk factors through
community resources and referrals. The department shall coordinate the goals of the home visit strategic plans approved under this subsection with other state agency home visit programs in a way that strengthens Michigan's home visiting infrastructure and maximizes federal funds available for the purposes of at-risk family home visits. The coordination among departments and agencies is intended to avoid duplication of state services and spending, and should emphasize efficient service delivery of home visiting programs.

(5) Not later than December 1 of each year, each intermediate district shall provide a report to the department detailing the strategies actually implemented during the immediately preceding school year and the families and children actually served. At a minimum, the report must include an evaluation of the services provided with additional funding under subsection (4) for home visits, using the goals identified in subsection (4) as the basis for the evaluation, including the degree to which school readiness was improved, the degree to which positive parenting practices were improved, the degree to which there was improved family economic self-sufficiency, and the degree to which community resources and referrals were utilized. The department shall compile and summarize these reports and submit its summary to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies not later than February 15 of each year.

(6) From the funds allocated in subsection (1), at least $4,000,000.00 must be used for 2023-2024 only for the purpose of improving access to books and other literacy materials for children ages birth to age 5. The amount of funding allocated to each intermediate district must utilize the distribution formula
An intermediate district may use the funding to support programs, including, but not limited to, the Dolly Parton Imagination Library, Reach Out and Read Michigan, or any other program that provides books and literacy materials to children ages birth to age 5. If funding under this subsection is not sufficient to enroll all interested families in the service, each intermediate district must prioritize enrollment to those families with the highest levels of economic need. If an intermediate district will not fully utilize funding under this subsection, those funds must be returned to the department for redistribution for the purposes under this subsection. This subsection does not apply after the 2023-2024 fiscal year.

An intermediate district or consortium of intermediate districts that receives funding under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds through June 30 of the next fiscal year. However, an intermediate district or consortium of intermediate districts that receives funding for the purposes described in subsection (2) in fiscal year 2022-2023 the current fiscal year shall not carry over into the next fiscal year any amount exceeding 15% of the amount awarded to the intermediate district or consortium in the 2022-2023 current fiscal year. The immediately preceding sentence does not apply for funding received under this section that was allocated under this section in the 2023-2024 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.
appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed $2,200,000.00 of federal funding appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed $18,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to the department for payments to Clinton County RESA (CCRESA) for the Strong Beginnings Program 3-year-old preschool pilot program to provide services to children who do not meet the age eligibility criteria for the great start readiness program, but meet all other eligibility criteria for the great start readiness program. These services must be designed for children who are age 3 and must be similar to the services provided through the great start readiness program. The program described in this section must be administered by CCRESA Strong Beginnings Implementation Team under the direction of the department, office of great start, with assessment, data, and collection analysis for the program being provided by Michigan State University.

(2) The department must pay the funding under this section to Clinton County RESA in installments over 3 years. The department must obligate funds received under this section before December 31, 2024. Clinton County RESA must expend funds received under this section before December 31, 2026. The federal funds allocated under this section must be allocated and expended in a manner consistent with federal rules and regulations.

(3) The funding allocated under this section must be used with the intent to serve at least 1,000 children over the next 3 school
years, evaluate outcomes, and create a scalable 3-year-old preschool model. At the end of the pilot program described in this section, Clinton County RESA must provide both of the following to the department:

(a) A report detailing how the pilot program was conducted, demographics of the children served, outcomes achieved, challenges faced in the implementation of the pilot program, and how the Implementation Team responded to the challenges.

(b) A model this state could use to scale the pilot program statewide, if funding were available.

(4) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to pilot the expansion of great start readiness program opportunities to 3-year-old children. The estimated completion date of the work project is September 30, 2027.

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

Sec. 32w. (1) From the federal funding appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed $6,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to the department to grant funding to GOAL Line Detroit. This project is intended to respond to the COVID-19 public health emergency and its impact on student development, including academic, mental, behavioral, and social-emotional development. To receive funding under this section, GOAL Line Detroit must apply
for funding in a form and manner determined by the department.

(2) Funds awarded by the department to GOAL Line Detroit must be obligated by the department before December 31, 2024. GOAL Line Detroit must expend funds received under this section before December 31, 2026. The federal funds allocated under this section must be allocated and expended in a manner consistent with federal rules and regulations, as determined by the department.

(3) GOAL Line Detroit must use funds allocated under this section to expand capacity to provide eligible children with access to high-quality, engaging after-school enrichment leading to increased skill acquisition, positive behaviors, and improved academic outcomes and school attendance. It is intended that funds received under this section be used over 3 years.

(4) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to provide after-school supports to mitigate the impact of the COVID-19 public health emergency on student development. The estimated completion date of the work project is September 30, 2027.

Sec. 32x. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only $3,200,000.00 to be paid in installments over 4 fiscal years to Wayne State University Law School's Levin Center for Oversight and Democracy for statewide implementation of the Learning by Hearings civic education program. The Learning by Hearings program is a civics education curriculum and after-school program that does all of the following:

(a) Immerses students in United States history and government
as they analyze facts and roleplay a legislative oversight hearing.

(b) Teaches critical thinking, primary source research, writing, and public speaking.

(c) Exposes students to diverse viewpoints and opportunities to practice civic discourse.

(d) Reaches students in class and after school to maximize impact.

(2) Funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue providing funding to support the Learning by Hearings civic education program throughout this state. The estimated completion date of the work project is September 30, 2027.

(3) Notwithstanding section 17b, the department shall make payments under this section not later than November 1, 2023.

Sec. 35a. (1) From the appropriations in section 11, there is allocated for 2022-2023-2023-2024 for the purposes of this section an amount not to exceed $67,400,000.00 - $88,400,000.00 from the state school aid fund and there is allocated for 2022-2023-2023-2024 only for the purposes of subsection (8) an amount not to exceed $5,000,000.00 - $4,500,000.00 from the general fund. It is the intent of the legislature that the state school aid fund money allocated under this section for 2024-2025 will be $51,400,000.00. 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). By December 31 of each fiscal year in which funding is allocated under this section, the superintendent of public instruction shall do both of the following:

(a) Report in person to the house and senate appropriations subcommittees on school aid regarding progress on the goal described in this subsection and be available for questioning as prescribed through a process developed by the chairs of the house and senate appropriations subcommittees on school aid.

(b) Submit a written report to the house and senate appropriations subcommittees on school aid regarding progress on the goal described in this subsection.

(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.

(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 evidence-based professional learning described in subsection (11) for educators in administering and using screening, progress monitoring, and diagnostic assessment data to inform instruction.
through prevention and intervention in a multi-tiered system of supports framework. A department-approved screening and diagnostic tool administered by a district using funding under this section must include all of the following components: phonemic awareness, phonics, fluency, rapid automatized naming (RAN), and comprehension. Further, all of the following sub-skills must be assessed within each of these components:

(a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and substitution).
(b) Phonics - decoding (reading) and encoding (spelling).
(c) Fluency.
(d) Comprehension - making meaning of text.

(4) From the allocation under subsection (1), there is allocated an amount not to exceed $31,500,000.00-$42,000,000.00 for 2022-2023-2023-2024 for the purpose of providing early literacy coaches at intermediate districts to assist teachers in developing and implementing instructional strategies for pupils in grades pre-K to 3 so that pupils are reading at grade level by the end of grade 3. It is the intent of the legislature that the amount allocated under this subsection for 2024-2025 will be $31,500,000.00. All of the following apply to funding under this subsection:

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

(i) Current state literacy standards for pupils in grades pre-K to 3.
(ii) Implementing an instructional delivery model based on
frequent use of formative, screening, and diagnostic tools, known
as a multi-tiered system of supports, 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.

(b) From the allocation under this subsection, the department
shall award grants to intermediate districts for the support of
early literacy coaches. The department shall provide this funding
in the following manner:

(i) The department shall award each intermediate district grant
funding to support the cost of 2 early literacy coaches in
an equal amount per early literacy coach, not to exceed
$112,500.00. $125,000.00.

(ii) After distribution of the grant funding under subparagraph
(i), the department shall distribute the remainder of grant funding
for additional early literacy coaches in an amount not to exceed
$112,500.00 $125,000.00 per early literacy coach. The number of
funded early literacy coaches for each intermediate district is
based on the percentage of the total statewide number of pupils in
grades K to 3 who meet the income eligibility standards for the
federal free and reduced-price lunch programs who are enrolled in
districts in the intermediate district.

(c) If an intermediate district that receives funding under
this subsection uses an assessment tool that screens for
characteristics of dyslexia, the intermediate district shall use
the assessment results from that assessment tool to identify pupils
who demonstrate characteristics of dyslexia.

(5) From the allocation under subsection (1), there is allocated an amount not to exceed $19,900,000.00 – $34,400,000.00 for 2022-2023 to 2023-2024 to districts that provide additional instructional time to those pupils in grades pre-K to 3 who have been identified by using department-approved screening and diagnostic tools as needing additional supports and interventions in order to be reading at grade level by the end of grade 3. It is the intent of the legislature that the amount allocated under this subsection for 2024-2025 will be $19,900,000.00. Additional instructional time may be provided before, during, and after regular school hours or as part of a year-round balanced school calendar. All of the following apply to funding under this subsection:

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

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

(A) Team-based leadership.

(B) A tiered delivery system.

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

(D) A comprehensive screening and assessment system.
(E) Continuous data-based decision making.

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

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

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

(v) Complied 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.

(6) Not later than September 1 of each year, a district that receives funding under subsection (5) in conjunction with the Michigan student data system, if possible, shall provide to the department a report that includes at least both of the following, in a form and manner prescribed by the department:

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

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

(i) School.
(ii) Grade level.
(iii) Gender.
(iv) Race.
(v) Ethnicity.
(vi) Economically disadvantaged status.
(vii) Disability.
(viii) Pupils identified as having reading deficiencies.

(7) From the allocation under subsection (1), there is
allocated an amount not to exceed $6,000,000.00–$12,000,000.00 for
2022–2023 2023–2024 only to an intermediate district in which the
combined total number of pupils in membership of all of its
constituent districts is the fewest among all intermediate
districts. All of the following apply to the funding under this
subsection:

(a) 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.
(ii) Face-to-face and online professional learning of literacy
essentials teacher and principal training modules for literacy
coaches, principals, and teachers.
(iii) The placement of regional lead literacy coaches to
facilitate professional learning for early literacy coaches. These
regional lead literacy coaches shall provide support for new
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 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.

(v) Job-embedded professional learning opportunities for mathematics teachers through mathematics instructional coaching. Funding must be used for professional learning for coaches, professional developers, administrators, and teachers; coaching for early mathematics educators; the development of statewide and regional professional learning networks in mathematics instructions; and the development and support of digital professional learning modules.

(b) Not later than September 1 of each year, the intermediate district described in this subsection, in consultation with grant recipients, shall submit a report to the chairs of the senate and house appropriations subcommittees on school aid, the chairs of the senate and house standing committees responsible for education legislation, the house and senate fiscal agencies, and the state budget director. The report described under this subdivision must include student achievement results in English language arts and mathematics and survey results with feedback from parents and teachers regarding the initiatives implemented under this subsection.

(c) Up to 2% of funds allocated under this subsection may be
used by the association representing intermediate district
administrators that is in partnership with the intermediate
district specified in this subsection to administer this
subsection.

(d) Funds allocated under this subsection for 2023-2024 are a
work project appropriation, and any unexpended funds for 2023-2024
are carried forward into 2024-2025. The purpose of the work project
is to continue providing funding for the purposes under this
subsection. The estimated completion date of the work project is
September 30, 2025.

(8) From the general fund money allocated in subsection (1),
the department shall allocate the amount of $5,000,000.00
$4,500,000.00 for 2022-2023-2023-2024 only to the Michigan
Education Corps for the PreK Reading Corps, the K3 Reading Corps,
and the Math Corps. All of the following apply to funding under
this subsection:

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

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

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

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

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

(B) Average linear growth rates.

(C) Exit rates.

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

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

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

(c) The department may not reserve any portion of the allocation provided under this subsection for an evaluation of the Michigan Education Corps, the Michigan Education Corps' funding, or the Michigan Education Corps' programming unless agreed to in writing by the Michigan Education Corps. The department shall award the entire $5,000,000.00 allocated under this subsection to the
Michigan Education Corps and shall not condition the awarding of this funding on the implementation of an independent evaluation.

(9) If a district or intermediate district expends any funding received under subsection (4) or (5) for professional development in research-based effective reading instruction, the district or intermediate district shall select a professional development program from the list described under subdivision (a). All of the following apply to the requirement under this subsection:

(a) The department shall issue a request for proposals for professional development programs in research-based effective reading instruction to develop an initial approved list of professional development programs in research-based effective reading instruction. The department shall make the initial approved list public and shall determine if it will, on a rolling basis, approve any new proposals submitted for addition to its initial approved list.

(b) To be included as an approved professional development program in research-based effective reading instruction under subdivision (a), an applicant must demonstrate to the department in writing the program's competency in all of the following topics:

(i) Understanding of phonemic awareness, phonics, fluency, vocabulary, and comprehension.

(ii) Appropriate use of assessments and differentiated instruction.

(iii) Selection of appropriate instructional materials.

(iv) Application of research-based instructional practices.

(c) As used in this subsection, "effective reading instruction" means reading instruction scientifically proven to result in improvement in pupil reading skills.
(10) From the allocation under subsection (1), there is allocated an amount not to exceed $10,000,000.00 for 2022-2023 only for the provision of professional learning by the approved provider described in subsection (11), first to educators in pre-K, kindergarten, and grade 1 next to educators in grade 2 and grade 3, and then to additional elementary school educators and pre-K to grade 12 certificated special education personnel with endorsements in learning disabilities, emotional impairments, or speech and language impairments. For purposes of this subsection, the department must establish and manage professional learning opportunities that are open to all school personnel described in this subsection as follows:

(a) The department must first open voluntary enrollment for any pre-K through grade 3 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-K, kindergarten, and grade 1 teachers. The department shall then open voluntary enrollment for the remaining school personnel described in this subsection.

(b) The department must maintain open enrollment until all funds are expended.

(11) For the provision of professional learning to the school personnel described in subsection (10), the department shall approve LETRS as the approved provider of professional learning, if LETRS continues to meet all of the following:

(a) Be offered through a system of training that provides educators with the knowledge base to effectively implement any class-wide, supplemental, or intervention reading approach and to determine why some students struggle with reading, writing, spelling, and language.
(b) Provide training activities that direct educators to implement effective reading and spelling instruction supported by scientifically based research and foster a direct explicit instructional sequence that uses techniques to support teachers' independence in using their newly-learned skills with students in the classroom.

(c) Include integrated components for educators and administrators in pre-K to grade 3 with embedded evaluation or assessment of knowledge. Evaluation or assessment of knowledge under this subdivision must incorporate evaluations of learning throughout each unit and include a summative assessment that must be completed to demonstrate successful course completion.

(d) Build teacher content knowledge and pedagogical knowledge of the critical components of literacy including how the brain learns to read, phonological and phonemic awareness, letter knowledge, phonics, advanced phonics, vocabulary and oral language, fluency, comprehension, spelling and writing, and the organization of language.

(e) Support educators in understanding how to effectively use screening, progress monitoring, and diagnostic assessment data to improve literacy outcomes through prevention and intervention for reading difficulties in a multi-tiered system of supports. The multi-tiered system of supports must include at least all of the following essential components:

(i) Team-based leadership.

(ii) A tiered delivery system.

(iii) Selection and implementation of instruction, interventions, and supports.

(iv) A comprehensive screening and assessment system.
Continuous data-based decision making.

Notwithstanding section 17b, the department shall make payments made under subsections (7) and (8) on a schedule determined by the department.

As used in this section:
(a) "Dyslexia" means both of the following:

(i) A specific learning disorder that is neurobiological in origin and characterized by difficulties with accurate or fluent word recognition and by poor spelling and decoding abilities that typically result from a deficit in the phonological component of language that is often unexpected in relation to other cognitive abilities and the provision of effective classroom instruction.

(ii) A specific learning disorder that may include secondary consequences, such as problems in reading comprehension and a reduced reading experience that can impede the growth of vocabulary and background knowledge and lead to social, emotional, and behavioral difficulties.

(b) "Evidence-based" means an activity, program, process, service, strategy, or intervention that demonstrates statistically significant effects on improving pupil outcomes or other relevant outcomes and that meets at least both of the following:

(i) At least 1 of the following:

(A) Is based on strong evidence from at least 1 well-designed and well-implemented experimental study.

(B) Is based on moderate evidence from at least 1 well-designed and well-implemented quasi-experimental study.

(C) Is based on promising evidence from at least 1 well-designed and well-implemented correlational study with statistical controls for selection bias.
(D) Demonstrates a rationale based on high-quality research findings or positive evaluation that the activity, program, process, service, strategy, or intervention is likely to improve pupil outcomes or other relevant outcomes.

(ii) Includes ongoing efforts to examine the effects of the activity, program, process, service, strategy, or intervention.

(c) "Explicit" means direct and deliberate instruction through continuous pupil-teacher interaction that includes teacher modeling, guided practice, and independent practice.

(c) (d)—"Fluency" means the ability to read with speed, accuracy, and proper expression.

(d) (e)—"Multi-tiered system of supports" means a comprehensive framework that includes 3 distinct tiers of instructional support and is composed of a collection of evidence-based strategies designed to meet the individual needs and assets of a whole pupil at all achievement levels.

(e) (f)—"Phonemic awareness" means the conscious awareness of all of the following:

(i) Individual speech sounds, including, but not limited to, consonants and vowels, in spoken syllables.

(ii) The ability to consciously manipulate through, including, but not limited to, matching, blending, segmenting, deleting, or substituting, individual speech sounds described in subparagraph (i).

(iii) All levels of the speech sound system, including, but not limited to, word boundaries, rhyme recognition, stress patterns, syllables, onset-rime units, and phonemes.

(f) (g)—"Phonological" means relating to the system of contrastive relationships among the speech sounds that constitute
the fundamental components of a language.

(g) "Progress monitoring" means the assessing of students' academic performance, quantifying students' rates of improvement or progress toward goals, and determining how students are responding to instruction.

(h) "Rapid automatized naming (RAN)" means a task that measures how quickly individuals can name objects; pictures; colors; or symbols, including letters and digits, aloud, which can predict later reading abilities for preliterate children.

Sec. 35d. (1) From the general state school aid fund money appropriated under section 11, for 2022-2023-2023-2024 only, there is allocated an amount not to exceed $1,000,000.00-$3,000,000.00 for the department to provide grants to districts and intermediate districts for the purchase of 1 or more components or trainings through an eligible teacher training program for children with dyslexia from a provider of an eligible teacher training program for children with dyslexia as provided under this section.

(2) A provider that provides programming that meets all of the following is considered to be a provider of an eligible teacher training program for purposes of this section:

(a) Allows teachers to incorporate the 5 components essential to an effective reading program into their daily lessons. The 5 components described in this subdivision are phonemic awareness, phonics, vocabulary, fluency, and comprehension.

(b) Trains educators to teach reading using a proven, multisensory approach.

(c) Educates teachers on how to explicitly and effectively teach reading to beginning readers.

(d) Breaks reading and spelling down into smaller skills
involving letters and sounds, and then builds on these skills over time.

(e) Uses multisensory teaching strategies to teach reading by using sight, hearing, touch, and movement to help students connect and learn the concepts being taught.

(3) Districts and intermediate districts may apply to the department for grants to purchase components or training through an eligible teacher training program from a provider of an eligible teacher training program, and, upon receiving an application but except as otherwise provided in this subsection, the department shall make payments to districts and intermediate districts for those purchases. The department shall make payments under this section on a first-come, first-served basis until funds are depleted.

(4) Funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue providing funding for the purposes under this section. The estimated completion date of the work project is September 30, 2025.

Sec. 35i. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $2,400,000.00 to support the network of early literacy hubs across this state and to build an equitable and aligned system of early literacy supports for children ages birth through age 5.

(2) The department must distribute funds allocated under subsection (1) to intermediate districts or consortia of intermediate districts to support 10 regional literacy hubs. The
regional literacy hubs must use this funding to develop a network
designed to increase equitable access to literacy supports and
improve early literacy outcomes by allowing providers, children,
and families to seek and receive specific and developmentally
appropriate early literacy supports.

(3) Funds received under subsection (2) by regional literacy
hubs may be used for any of the following:
(a) Eligible literacy network development and training costs,
as determined by the department.
(b) Literacy supplies and curriculum.
(c) Materials necessary for improving early literacy outcomes.
(d) Marketing, outreach, and website development.

(4) In addition to the funds allocated in subsection (1), from
the federal funding appropriated under section 11, there is
allocated for 2023-2024 only an amount not to exceed $2,000,000.00
from the federal funding awarded to this state from the coronavirus
state fiscal recovery fund under the American rescue plan act of
2021, title IX, subtitle M of Public Law 117-2, to implement a
statewide campaign to share how parents and legal guardians can
support early literacy for children birth to age 5. All of the
following apply to funding allocated under this subsection:
(a) Funding under this subsection must be allocated by the
department to each literacy hub receiving funding under subsection
(2).
(b) Each literacy hub must use this funding to expand parental
and legal guardian knowledge regarding literacy instruction
practices; to raise awareness of and participation in local great
start collaborative and family coalitions; to raise awareness of
the availability of before-, during-, and after-school literacy
support programs; and to build on the existing practices of the literacy hubs.

(c) The department must obligate funds received under this subsection before December 31, 2024, and literacy hubs must expend funds received under this subsection before December 31, 2026. The federal funds allocated under this section must be allocated and expended in a manner consistent with federal rules and regulations.

(d) Funds under this subsection are intended to respond to the COVID-19 public health emergency and its impact on childhood literacy.

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

(6) Funds allocated under subsection (1) for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to support the network of early literacy hubs across this state and to build an equitable and aligned system of early literacy supports for children ages birth through age 5. The estimated completion date of the work project is September 30, 2025.

Sec. 35j. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $300,000,000.00 for payments to districts and intermediate districts to improve literacy instructional practices by investing in quality, research-based best practices, and professional learning.

(2) Subject to subsection (4), to be eligible to receive funding under this section, a district or intermediate district
must apply for the funding in a form and manner prescribed by the
department. Intermediate districts may apply for funding under this
section on behalf of their constituent districts.

(3) From the allocation under subsection (1), the department
shall make payments to eligible districts and intermediate
districts in an equal amount per pupil based on the number of
pupils in the district or intermediate district in grades pre-K to
grade 5. Districts and intermediate districts receiving funding
under this section must use that funding for all of the following
purposes:

(a) Providing professional learning for all pre-K to grade 5
teachers, administrators, and instructional coaches in literacy
instruction best practices.

(b) Complementing existing efforts to improve literacy
instruction.

(c) Developing and implementing a comprehensive literacy
system.

(4) For a district or intermediate district to be eligible for
funding under this section, the district or intermediate district
must do all of the following:

(a) Use a valid screening tool, as determined by the
department, to identify gaps in current literacy practices and
complete a needs assessment.

(b) Submit a plan to the department targeting identified focus
areas to address gaps in literacy practices.

(c) Ensure 100% of current pre-K to grade 5 teachers complete
selected training.

(d) Report to the department and post on its website which
pre-K to grade 5 literacy curriculum and benchmark assessment the
district or intermediate districts utilized.

(5) From the funds allocated in subsection (1), there is allocated an amount not to exceed $20,000,000.00 for the provision of professional learning by the approved provider described in subsection (6), first to educators in pre-K, kindergarten, and grade 1 next to educators in grade 2 and grade 3 and then to additional elementary school educators and pre-K to grade 12 certificated special education personnel with endorsements in learning disabilities, emotional impairments, or speech and language impairments. The department must not pay more than 50% of the amount allocated in this subsection in 2023-2024 and must pay remaining eligible payments during 2024-2025. For purposes of this subsection, the department must establish and manage professional learning opportunities that are open to all school personnel described in this subsection as follows:

(a) The department must first open voluntary enrollment for any pre-K through grade 3 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-K, kindergarten, and grade 1 teachers. The department shall then open voluntary enrollment for the remaining school personnel described in this subsection.

(b) The department must maintain open enrollment until all funds are expended.

(6) For the provision of professional learning to the school personnel described in subsection (5), the department shall approve LETRS as the approved provider of professional learning, if LETRS continues to meet all of the following:

(a) Is offered through a system of training that provides educators with the knowledge base to effectively implement any
class-wide, supplemental, or intervention reading approach and to
determine why some students struggle with reading, writing,
spelling, and language.

(b) Provides training activities that direct educators to
implement effective reading and spelling instruction supported by
scientifically based research and foster a direct explicit
instructional sequence that uses techniques to support teachers'
independence in using their newly learned skills with students in
the classroom.

(c) Includes integrated components for educators and
administrators in pre-K to grade 3 with embedded evaluation or
assessment of knowledge. Evaluation or assessment of knowledge
under this subdivision must incorporate evaluations of learning
throughout each unit and include a summative assessment that must
be completed to demonstrate successful course completion.

(d) Builds teacher content knowledge and pedagogical knowledge
of the critical components of literacy including how the brain
learns to read, phonological and phonemic awareness, letter
knowledge, phonics, advanced phonics, vocabulary and oral language,
fluency, comprehension, spelling and writing, and the organization
of language.

(e) Supports educators in understanding how to effectively use
screening, progress monitoring, and diagnostic assessment data to
improve literacy outcomes through prevention and intervention for
reading difficulties in a multi-tiered system of supports. The
multi-tiered system of supports must include at least all of the
following essential components:

(i) Team-based leadership.

(ii) A tiered delivery system.
(iii) Selection and implementation of instruction, interventions, and supports.

(iv) A comprehensive screening and assessment system.

(v) Continuous data-based decision making.

(7) Except as otherwise provided in this subsection and notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department. The department must not pay more than 50% of the amount allocated in subsection (1) in 2023-2024 and must pay remaining eligible payments during 2024-2025.

(8) Funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to improve literacy instructional practices. The estimated completion date of the work project is September 30, 2026.

Sec. 35k. (1) From the federal funding appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed $3,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to the department to grant funding to the Detroit Parent Network. This project is intended to respond to the COVID-19 public health emergency and its impact on the academic, social, behavioral, and physical well-being of children, parents, and families. To receive funding under this section, the Detroit Parent Network must apply for funding in a form and manner determined by the department.

(2) Funds awarded by the department to the Detroit Parent Network must be obligated by the department before December 31, 2024. The Detroit Parent Network must expend funds received under
this section before December 31, 2026. The federal funds allocated under this section must be allocated and expended in a manner consistent with federal rules and regulations, as determined by the department.

(3) The Detroit Parent Network must use funds allocated under this section to expand capacity to provide parental training programs, parental support groups, early literacy and family education programs, programs that support healthy families, and programs supporting civic engagement and community advocacy. The Detroit Parent Network must plan to provide programming to at least 5,000 families, parents, caregivers, and children in at least 10 counties in this state experiencing economic, educational, and social indicators that adversely impact the well-being of children and adults.

(4) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to support the academic, social, behavioral, and physical well-being of children, parents, and families to mitigate the negative impacts of the COVID-19 public health emergency. The estimated completion date of the work project is September 30, 2027.

Sec. 39. (1) An eligible applicant receiving funds under section 32d shall submit an application, in a form and manner prescribed by the department, by a date specified by the department in the immediately preceding fiscal year. An eligible applicant is not required to amend the applicant's current accounting cycle or adopt this state's fiscal year accounting cycle in accounting for financial transactions under this section. The application must include all of the following:
(a) The estimated total number of children in the community who meet the criteria of section 32d and the total number of age-eligible children in the community, as provided to the applicant by the department utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department shall ensure that it provides updated American Community Survey population data at least once every 3 years.

(b) The estimated number of children in the community who meet the criteria of section 32d and are being served exclusively by Head Start programs operating in the community.

(c) The number of children whom the applicant has the capacity to serve who meet the criteria of section 32d including a verification of physical facility and staff resources capacity.

(2) After notification of funding allocations, an applicant receiving funds under section 32d shall also submit an implementation plan for approval, in a form and manner prescribed by the department, by a date specified by the department, that details how the applicant complies with the program components established by the department under section 32d.

(3) The initial allocation to each eligible applicant under section 32d is the lesser of the following:

(a) The sum of the number of children served in a school-day program in the preceding school year multiplied by $9,150.00 and the number of children served in a GSRP/Head Start blended program or a part-day program in the preceding school year multiplied by $4,575.00-$4,758.00.

(b) The sum of the number of children the applicant has the capacity to serve in the current school year in a school-day
program multiplied by $9,150.00 - $9,516.00 and the number of children served in a GSRP/Head Start blended program or a part-day program the applicant has the capacity to serve in the current school year multiplied by $4,575.00 - $4,758.00.

(4) If funds remain after the allocations under subsection (3), the department shall distribute the remaining funds to each intermediate district or consortium of intermediate districts that serves less than the state percentage benchmark determined under subsection (5). The department shall distribute these remaining funds to each eligible applicant based upon each applicant's proportionate share of the remaining unserved children necessary to meet the statewide percentage benchmark in intermediate districts or consortia of intermediate districts serving less than the statewide percentage benchmark. When all applicants have been given the opportunity to reach the statewide percentage benchmark, the statewide percentage benchmark may be reset, as determined by the department, until greater equity of opportunity to serve eligible children across all intermediate school districts has been achieved.

(5) For the purposes of subsection (4), the department shall calculate a percentage of children served by each intermediate district or consortium of intermediate districts by adding the number of children served in the immediately preceding year by that intermediate district or consortium with the number of eligible children under section 32d served exclusively by head start, Head Start, as reported in a form and manner prescribed by the department, within the intermediate district or consortia service area and dividing that total by the total number of children within the intermediate district or consortium of intermediate districts
who meet the criteria of section 32d as determined by the
department utilizing the most recent population data available from
the American Community Survey conducted by the United States Census
Bureau. The department shall compare the resulting percentage of
eligible children served to a statewide percentage benchmark to
determine if the intermediate district or consortium is eligible
for additional funds under subsection (4). The statewide percentage
benchmark is 100%.

(6) If, taking into account the total amount to be allocated
to the applicant as calculated under this section, an applicant
determines that it is able to include additional eligible children
in the great start readiness program without additional funds under
section 32d, the applicant may include additional eligible children
but does not receive additional funding under section 32d for those
children.

(7) The department shall review the program components under
section 32d and under this section at least biennially. The
department also shall convene a committee of internal and external
stakeholders at least once every 5 years to ensure that the funding
structure under this section reflects current system needs under
section 32d.

(8) As used in this section, "GSRP/Head Start blended
program", "part-day program", and "school-day program" mean those
terms as defined in section 32d.

Sec. 39a. (1) From the federal funds appropriated in section
11, there is allocated for 2022-2023 to districts, intermediate
districts, and other eligible entities all available federal
funding, estimated at $780,200,000.00, $782,600,000.00 and there is
allocated for 2023-2024 to districts, intermediate districts, and
other eligible entities all available federal funding, estimated at $754,700,000.00, for the federal programs under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95. These funds are allocated as follows:

(a) An amount estimated at $1,200,000.00 for 2022-2023 and $1,200,000.00 for 2023-2024 to provide students with drug- and violence-prevention programs and to implement strategies to improve school safety, funded from DED-OESE, drug-free schools and communities funds.

(b) An amount estimated at $100,000,000.00 for 2022-2023 and $100,000,000.00 for 2023-2024 for the purpose of preparing, training, and recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving teacher quality funds.

(c) An amount estimated at $13,000,000.00 for 2022-2023 and $13,000,000.00 for 2023-2024 for programs to teach English to limited English proficient (LEP) children, funded from DED-OESE, language acquisition state grant funds.

(d) An amount estimated at $2,800,000.00 for 2022-2023 and $2,800,000.00 for 2023-2024 for rural and low-income schools, funded from DED-OESE, rural and low income school funds.

(e) An amount estimated at $535,000,000.00 for 2022-2023 and $535,000,000.00 for 2023-2024 to provide supplemental programs to enable educationally disadvantaged children to meet challenging academic standards, funded from DED-OESE, title I, disadvantaged children funds.

(f) An amount estimated at $9,200,000.00 for 2022-2023 and $9,200,000.00 for 2023-2024 for the purpose of identifying and serving migrant children, funded from DED-OESE, title I, migrant
education funds.

(g) An amount estimated at $39,000,000.00 \text{ to } $40,400,000.00 for 2022-2023 and $40,400,000.00 for 2023-2024 for the purpose of providing high-quality extended learning opportunities, after school and during the summer, for children in low-performing schools, funded from DED-OESE, twenty-first century community learning center funds.

(h) An amount estimated at $14,000,000.00 for 2022-2023 and $14,000,000.00 for 2023-2024 to help support local school improvement efforts, funded from DED-OESE, title I, local school improvement grants.

(i) An amount estimated at $35,000,000.00 for 2022-2023 and $35,000,000.00 for 2023-2024 to improve the academic achievement of students, funded from DED-OESE, title IV, student support and academic enrichment grants.

(j) An amount estimated at $3,100,000.00 for 2022-2023 and $3,100,000.00 for 2023-2024 for literacy programs that advance literacy skills for students from birth through grade 12, including, but not limited to, English-proficient students and students with disabilities, funded from DED-OESE, striving readers comprehensive literacy program.

(k) An amount estimated at $27,900,000.00 for 2022-2023 only to establish safer and healthier learning environments, and to prevent and respond to acts of bullying, violence, and hate that impact school communities at individual and systemic levels, funded from DED-OESE, stronger connections grant program.

(l) An amount estimated at $1,000,000.00 for 2022-2023 and an amount estimated at $1,000,000.00 for 2023-2024 for grants to support and demonstrate innovative partnerships to train school-
based mental health service providers, funded from DED-OESE, mental health service professional demonstration grant program.

(2) From the federal funds appropriated in section 11, there is allocated to districts, intermediate districts, and other eligible entities all available federal funding, estimated at $56,500,000.00–$60,500,000.00 for 2022–2023 and estimated at $60,500,000.00 for 2023–2024 for the following programs that are funded by federal grants:

(a) An amount estimated at $3,000,000.00 for 2022–2023 and $3,000,000.00 for 2023–2024 to provide services to homeless children and youth, funded from DED-OVAE, homeless children and youth funds.

(b) An amount estimated at $24,000,000.00 for 2022–2023 and $24,000,000.00 for 2023–2024 for providing career and technical education services to pupils, funded from DED-OVAE, basic grants to states.

(c) An amount estimated at $14,000,000.00 for 2022–2023 and $14,000,000.00 for 2023–2024 for the Michigan charter school subgrant program, funded from DED-OII, public charter schools program funds.

(d) An amount estimated at $14,000,000.00–$18,000,000.00 for 2022–2023 and $18,000,000.00 for 2023–2024 for the purpose of promoting and expanding high-quality preschool services, funded from HHS-OCC, preschool development funds.

(e) An amount estimated at $1,500,000.00 for 2022–2023 and $1,500,000.00 for 2023–2024 for the purpose of addressing priority substance abuse treatment, prevention, and mental health needs, funded from HHS-SAMHSA.

(3) The department shall distribute all federal funds
allocated under this section in accordance with federal law and
with flexibility provisions outlined in Public Law 107-116, and in
the education flexibility partnership act of 1999, Public Law 106-
25. 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.

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

(5) For the purposes of funding federal title I grants under
this article, in addition to any other federal grants for which the
strict discipline academy is eligible, the department shall
allocate to a strict discipline academy out of title I, part A an
amount equal to what the strict discipline academy would have
received if included and calculated under title I, part D, or what
it would receive under the formula allocation under title I, part
A, whichever is greater.

(6) 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-OII" means the DED Office of Innovation and
Improvement.
(d) "DED-OVAE" means the DED Office of Vocational and Adult
Education.
(e) "HHS" means the United States Department of Health and
(f) "HHS-OCC" means the HHS Office of Child Care.
(g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental Health Services Project.

Sec. 41. (1) For a district to be eligible to receive funding under this section, the district must administer to English language learners the English language proficiency assessment known as the "WIDA ACCESS for English language learners" or the "WIDA Alternate ACCESS". From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $26,511,000.00—$32,760,300.00 for 2022-2023—2023-2024 for payments to eligible districts for services for English language learners who have been administered the WIDA ACCESS for English language learners.

(2) The department shall distribute funding allocated under subsection (1) to eligible districts based on the number of full-time equivalent English language learners as follows:

(a) $984.00—75% of the target foundation allowance as described in section 20(1) per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as applicable to each assessment.

(b) $679.00—50% of the target foundation allowance as described in section 20(1) per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as applicable to each assessment.
(c) $111,000--35% of the target foundation allowance as described in section 20(1) per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less, as applicable to each assessment.

(3) If funds allocated under subsection (1) are insufficient to fully fund the payments as prescribed under subsection (2), the department shall prorate payments on an equal percentage basis, with the same percentage proration applied to all funding categories.

(4) Each district receiving funds under subsection (1) shall submit to the department by July 15 of each fiscal year a report, not to exceed 10 pages, on the usage by the district of funds under subsection (1) in a form and manner determined by the department, including a brief description of each program conducted or services performed by the district using funds under subsection (1) and the amount of funds under subsection (1) allocated to each of those programs or services. If a district does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district complies with this subsection. If the district does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the state school aid fund.

(5) In order to receive funds under subsection (1), a district must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district shall reimburse this state for all disallowances found in the audit.
(6) Beginning July 1, 2020, and every 3 years thereafter, the department shall review the per-pupil distribution under subsection (2), to ensure that funding levels are appropriate and make recommendations for adjustments to the members of the senate and house subcommittees on K-12 school aid appropriations.

Sec. 41b. From the state school aid fund money appropriated in section 11, there is allocated for 2022–2023–2023–2024 only an amount not to exceed $1,250,000.00 for KEYS Grace Academy to, in partnership with Kalasho Education and Youth Services, provide English-as-a-second-language services, provide early childhood learning, improve progress toward high school graduation attainment, and provide K to 12 education-support services to legal immigrants, including, but not limited to, those individuals who recently arrived to the United States from Afghanistan with an application before the United States Department of Homeland Security for temporary protected status or federal humanitarian parole.

Sec. 51a. (1) From the state school aid fund money in section 11, there is allocated an amount not to exceed $1,134,196,100.00 for 2021–2022–2022–2023 and there is allocated an amount not to exceed $1,460,503,100.00 for 2022–2023–2023–2024 from state sources and all available federal funding under sections 1411 to 1419 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at $380,000,000.00 for 2021–2022–2022–2023 and $390,000,000.00 for 2022–2023–2023–2024 plus any carryover federal funds from previous year appropriations. The allocations under this subsection are for the purpose of reimbursing districts and intermediate districts for special education programs, services,
and special education personnel as prescribed in article 3 of the
revised school code, MCL 380.1701 to 380.1761; net tuition payments
made by intermediate districts to the Michigan Schools for the Deaf
and Blind; and special education programs and services for pupils
who are eligible for special education programs and services
according to statute or rule. For meeting the costs of special
education programs and services not reimbursed under this article,
a district or intermediate district may use money in general funds
or special education funds, not otherwise restricted, or
contributions from districts to intermediate districts, tuition
payments, gifts and contributions from individuals or other
entities, or federal funds that may be available for this purpose,
as determined by the intermediate district plan prepared under
article 3 of the revised school code, MCL 380.1701 to 380.1761.
Notwithstanding section 17b, the department shall make payments of
federal funds to districts, intermediate districts, and other
eligible entities under this section on a schedule determined by
the department.

(2) From the funds allocated under subsection (1), there is
allocated the amount necessary, estimated at $324,000,000.00
$350,500,000.00 for 2021-2022-2022-2023 and estimated at
$323,300,000.00-$368,000,000.00 for 2022-2023, 2023-2024, 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) For 2021-2022, the department shall calculate the initial
amount allocated to a district under this subsection toward
fulfilling the specified percentages by multiplying the district's special education pupil membership, excluding pupils described in subsection (11), times the foundation allowance under section 20 of the pupil's district of residence, plus the amount of the district's per-pupil allocation under section 20m, not to exceed the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the target foundation allowance for the current fiscal year, and that district's per-pupil allocation under section 20m. For 2022-2023, 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 25% of the foundation allowance under section 20 of the pupil's district of residence, plus 25% of the amount of the district's per-pupil allocation under section 20m, not to exceed 25% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 25% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the
specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using 25% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 25% of the target foundation allowance for the current fiscal year, and that district's per-pupil allocation under section 20m.

(b) For 2022-2023, 2023-2024, 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 25% of the foundation allowance under section 20 of the pupil's district of residence, plus 25% of the amount of the district's per-pupil allocation under section 20m, not to exceed 25% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 25% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using 25% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 25% of the target foundation allowance for the current fiscal year, and that district's per-pupil allocation under section 20m.

(c) After the allocations under subdivision (a) or (b), as applicable, the department shall pay a district or intermediate
(3) From the funds allocated under subsection (1), there is allocated for 2021–2022–2022–2023 an amount not to exceed $1,000,000.00 and there is allocated for 2022–2023–2023–2024 only an amount not to exceed $1,000,000.00 to make payments to districts and intermediate districts under this subsection. If the amount allocated to a district or intermediate district for the fiscal year under subsection (2)(c) is less than the sum of the amounts allocated to the district or intermediate district for 1996–97 under sections 52 and 58, there is allocated to the district or intermediate district for the fiscal year an amount equal to that difference, adjusted by applying the same proration factor that was used in the distribution of funds under section 52 in 1996–97 as adjusted to the district's or intermediate district's necessary costs of special education used in calculations for the fiscal year. This adjustment is to reflect reductions in special education program operations or services between 1996–97 and subsequent fiscal years. The department shall make adjustments for reductions in special education program operations or services in a manner determined by the department and shall include adjustments for program or service shifts.

(4) If the department determines that the sum of the amounts allocated for a fiscal year to a district or intermediate district under subsection (2) is not sufficient to fulfill the specified percentages in subsection (2), then the department shall pay the shortfall to the district or intermediate district during the
fiscal year beginning on the October 1 following the determination and shall adjust payments under subsection (3) as necessary. If the department determines that the sum of the amounts allocated for a fiscal year to a district or intermediate district under subsection (2) exceeds the sum of the amount necessary to fulfill the specified percentages in subsection (2), then the department shall deduct the amount of the excess from the district's or intermediate district's payments under this article for the fiscal year beginning on the October 1 following the determination and shall adjust payments under subsection (3) as necessary. However, for 2021-2022 only, if the amount allocated under subsection (2)(a) in itself exceeds the amount necessary to fulfill the specified percentages in subsection (2), there is no deduction under this subsection. Beginning in 2022-2023, if the amount allocated under subsection (2)(b) in itself exceeds the amount necessary to fulfill the specified percentages in subsection (2), there is no deduction under this subsection.

(5) State funds are allocated on a total approved cost basis. Federal funds are allocated under applicable federal requirements.

(6) From the amount allocated in subsection (1), there is allocated an amount not to exceed $2,200,000.00 for 2021-2022-2022-2023 and there is allocated an amount not to exceed $2,200,000.00 for 2022-2023-2023-2024 to reimburse 100% of the net increase in necessary costs incurred by a district or intermediate district in implementing the revisions in the administrative rules for special education that became effective on July 1, 1987. As used in this subsection, "net increase in necessary costs" means the necessary additional costs incurred solely because of new or revised requirements in the administrative rules minus cost savings
permitted in implementing the revised rules. The department shall determine net increase in necessary costs in a manner specified by the department.

(7) For purposes of this section and sections 51b to 58, all of the following apply:

(a) "Total approved costs of special education" are determined in a manner specified by the department and may include indirect costs, but must not exceed 115% of approved direct costs for section 52 and section 53a programs. The total approved costs include salary and other compensation for all approved special education personnel for the program, including payments for Social Security and Medicare and public school employee retirement system contributions. The total approved costs do not include salaries or other compensation paid to administrative personnel who are not special education personnel as that term is defined in section 6 of the revised school code, MCL 380.6. Costs reimbursed by federal funds, other than those federal funds included in the allocation made under this article, are not included. Special education approved personnel not utilized full time in the evaluation of students or in the delivery of special education programs, ancillary, and other related services are reimbursed under this section only for that portion of time actually spent providing these programs and services, with the exception of special education programs and services provided to youth placed in child caring institutions or juvenile detention programs approved by the department to provide an on-grounds education program.

(b) A district or intermediate district that employed special education support services staff to provide special education support services in 2003-2004 or in a subsequent fiscal year and
that in a fiscal year after 2003-2004 receives the same type of support services from another district or intermediate district shall report the cost of those support services for special education reimbursement purposes under this article. This subdivision does not prohibit the transfer of special education classroom teachers and special education classroom aides if the pupils counted in membership associated with those special education classroom teachers and special education classroom aides are transferred and counted in membership in the other district or intermediate district in conjunction with the transfer of those teachers and aides.

(c) If the department determines before bookclosing for a fiscal year that the amounts allocated for that fiscal year under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56 will exceed expenditures for that fiscal year under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a district or intermediate district whose reimbursement for that fiscal year would otherwise be affected by subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for that district or intermediate district and the department shall calculate reimbursement for that district or intermediate district in the same manner as it was for 2003-2004. If the amount of the excess allocations under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56 is not sufficient to fully fund the calculation of reimbursement to those districts and intermediate districts under this subdivision, then the department shall prorate calculations and resulting reimbursement under this subdivision on an equal percentage basis. The amount of reimbursement under this subdivision for a fiscal year must not
exceed $2,000,000.00 for any district or intermediate district.

(d) Reimbursement for ancillary and other related services, as that term is defined by R 340.1701c of the Michigan Administrative Code, is not provided when those services are covered by and available through private group health insurance carriers or federal reimbursed program sources unless the department and district or intermediate district agree otherwise and that agreement is approved by the state budget director. Expenses, other than the incidental expense of filing, must not be borne by the parent. In addition, the filing of claims must not delay the education of a pupil. A district or intermediate district is responsible for payment of a deductible amount and for an advance payment required until the time a claim is paid.

(e) If an intermediate district purchases a special education pupil transportation service from a constituent district that was previously purchased from a private entity; if the purchase from the constituent district is at a lower cost, adjusted for changes in fuel costs; and if the cost shift from the intermediate district to the constituent does not result in any net change in the revenue the constituent district receives from payments under sections 22b and 51c, then upon application by the intermediate district, the department shall direct the intermediate district to continue to report the cost associated with the specific identified special education pupil transportation service and shall adjust the costs reported by the constituent district to remove the cost associated with that specific service.

(8) A pupil who is enrolled in a full-time special education program conducted or administered by an intermediate district or a pupil who is enrolled in the Michigan Schools for the Deaf and
Blind is not included in the membership count of a district, but is counted in membership in the intermediate district of residence.

(9) Special education personnel transferred from 1 district to another to implement the revised school code are entitled to the rights, benefits, and tenure to which the individual would otherwise be entitled had that individual been employed by the receiving district originally.

(10) If a district or intermediate district uses money received under this section for a purpose other than the purpose or purposes for which the money is allocated, the department may require the district or intermediate district to refund the amount of money received. The department shall deposit money that is refunded in the state treasury to the credit of the state school aid fund.

(11) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at $1,600,000.00 $1,700,000.00 for 2021-2022-2022-2023 and estimated at $1,500,000.00 $1,700,000.00 for 2022-2023, 2023-2024, to pay the foundation allowances for pupils described in this subsection. The department shall calculate the allocation to a district under this subsection by multiplying the number of pupils described in this subsection who are counted in membership in the district times the sum of the foundation allowance under section 20 of the pupil's district of residence, plus the amount of the district's per-pupil allocation under section 20m, not to exceed the target foundation allowance for the current fiscal year, or, for a pupil described in this subsection who is counted in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil under section 20(6). The department shall
calculate the allocation to an intermediate district under this subsection in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence not to exceed the target foundation allowance for the current fiscal year and that district's per-pupil allocation under section 20m. This subsection applies to all of the following pupils:

(a) Pupils described in section 53a.

(b) Pupils counted in membership in an intermediate district who are not special education pupils and are served by the intermediate district in a juvenile detention or child caring facility.

(c) Pupils with an emotional impairment counted in membership by an intermediate district and provided educational services by the department of health and human services.

(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) One hundred percent of the reimbursement required under section 53a.

(b) One hundred percent of the reimbursement required under subsection (6).

(c) One hundred percent of the payment required under section 54.
(d) One hundred percent of the payment required under subsection (3).

(e) One hundred percent 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 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 an agreement on the responsibility for the payment of the added costs of special education programs and services for the pupil. If the public school academy that enrolls the pupil does not enter into an agreement under this subsection, the public school academy shall not charge the pupil's resident intermediate district or the intermediate district in which the public school academy is located the added costs of special education programs and services for the pupil, and the public school academy is not eligible for any payouts based on the funding formula outlined in the resident or nonresident
intermediate district's plan. If a pupil is not enrolled in a public school academy under this subsection, the provision of special education programs and services and the payment of the added costs of special education programs and services for a pupil described in this subsection are the responsibility of the district and intermediate district in which the pupil resides.

(15) For the purpose of receiving its federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, directly receives the federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, from the intermediate district in which the cyber school is located, as the subrecipient. If the intermediate district does not distribute the funds described in this subsection to the cyber school by the part B application due date of July 1, the department may distribute the funds described in this subsection directly to the cyber school according to the formula prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.

(16) For a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the intermediate district in which the cyber school is located shall ensure that the cyber school complies with sections 1701a,
1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757; applicable rules; and the individuals with disabilities education act, Public Law 108-446. Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.

17 For the purposes of this section, the department or the center shall only require a district or intermediate district to report information that is not already available from the financial information database maintained by the center.

Sec. 51c. As required by the court in the consolidated cases known as Durant v State of Michigan, 456 Mich 175 (1997), from the allocation under section 51a(1), there is allocated for 2021-2022 2022-2023 and for 2022-2023, 2023-2024, the amount necessary, estimated at $719,000,000.00-$779,600,000.00 for 2021-2022-2022-2023 and $709,900,000.00-$819,200,000.00 for 2022-2023, 2023-2024, for payments to reimburse 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. 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 22b 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.

Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated for 2022-2023, 2023-2024 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:

(a) For 2022-2023, 2023-2024, an amount estimated at $14,000,000.00 for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

(b) For 2022-2023, 2023-2024, an amount estimated at $14,000,000.00 for preschool grants under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds.

(c) For 2022-2023, 2023-2024, 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. 51e. (1) From the allocation under section 51a(1), there is allocated for 2022-2023 the amount necessary, estimated at $336,207,000.00-$351,700,000.00 for 2022-2023 and there is allocated for 2023-2024 the amount necessary, estimated at $487,500,000.00 for 2023-2024 for payments to districts and
intermediate districts for 2022-2023, 75%, and for 2023-2024, 100%
of foundation allowance costs associated with special education pupils.

(2) The department shall calculate the amount allocated to a district under this section by multiplying the district's special education pupil membership, excluding pupils described in section 51a(11), times, for 2022-2023, 75%, and for 2023-2024, 100% of the foundation allowance under section 20 of the pupil's district of residence, plus, for 2022-2023, 75%, and for 2023-2024, 100% of the amount of the district's per-pupil allocation under section 20m, not to exceed, for 2022-2023, 75%, and for 2023-2024, 100% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to, for 2022-2023, 75%, and for 2023-2024, 100% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subsection is an amount per special education membership pupil, excluding pupils described in section 51a(11), and is calculated in the same manner as for a district, using, for 2022-2023, 75%, and for 2023-2024, 100% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed, for 2022-2023, 75%, and for 2023-2024, 100% of the target foundation allowance for the current fiscal year, and, for 2022-2023, 75%, and for 2023-2024, 100% of that district's per-pupil allocation under section 20m.

(3) In addition to the amount calculated in subsection (2) for 2022-2023, there is allocated for 2022-2023 the difference between the amount received under section 51f in the 2021-2022 fiscal year and the amount calculated under subsection (2) for 2022-2023. If
the calculated amount under subsection (2) for 2022-2023 exceeds the amount received by the district or intermediate district under section 51f for the 2021-2022 fiscal year, there is no payment calculated under this subsection.

Sec. 51g. From the general fund money appropriated in section 11, $3,000,000.00 is allocated for 2022-2023 to an association for administrators of special education services to develop content for use by special education students, teachers, and others. Any content that is developed as described in this section must be accessible throughout this state. Funds received by an association under this section may be used to support the development of assessment tools to measure the needs of students with special education needs in remote learning environments and the effectiveness of various educational methods and tools, in collaboration with the department. Funds under this section may also be utilized to identify any available federal funds for research related to special education in remote learning.

Sec. 53a. (1) For districts, reimbursement for pupils described in subsection (2) is 100% of the total approved costs of operating special education programs and services approved by the department and included in the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761, minus the district's foundation allowance calculated under section 20 and minus the district's per-pupil allocation under section 20m. For intermediate districts, the department shall calculate reimbursement for pupils described in subsection (2) in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the target foundation allowance under section 20 for the
current fiscal year plus the amount of the district's per-pupil allocation under section 20m.

(2) Reimbursement under subsection (1) is for the following special education pupils:

(a) Pupils assigned to a district or intermediate district through the community placement program of the courts or a state agency, if the pupil was a resident of another intermediate district at the time the pupil came under the jurisdiction of the court or a state agency.

(b) Pupils who are residents of institutions operated by the department of health and human services.

(c) Pupils who are former residents of department of community health institutions for the developmentally disabled who are placed in community settings other than the pupil's home.

(d) Pupils enrolled in a department-approved on-grounds educational program longer than 180 days, but not longer than 233 days, at a residential child care institution, if the child care institution offered in 1991-92 an on-grounds educational program longer than 180 days but not longer than 233 days.

(e) Pupils placed in a district by a parent for the purpose of seeking a suitable home, if the parent does not reside in the same intermediate district as the district in which the pupil is placed.

(3) Only those costs that are clearly and directly attributable to educational programs for pupils described in subsection (2), and that would not have been incurred if the pupils were not being educated in a district or intermediate district, are reimbursable under this section.

(4) The costs of transportation are funded under this section and are not reimbursed under section 58.
(5) The department shall not allocate more than $10,500,000.00 of the allocation for 2021-2022 in section 51a(1) under this section. The department shall not allocate more than $10,500,000.00 of the allocation for 2022-2023-2023-2024 in section 51a(1) under this section.

Sec. 54. Each intermediate district receives an amount per pupil for each pupil in attendance at the Michigan Schools for the Deaf and Blind. The amount is proportionate to the total instructional cost at each school. The department shall not allocate more than $1,688,000.00 of the allocation for 2021-2022 in section 51a(1) under this section. The department shall not allocate more than $1,688,000.00 of the allocation for 2022-2023-2023-2024 in section 51a(1) under this section.

Sec. 54b. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed $1,600,000.00 for 2022-2023-2023-2024 to continue the implementation of the recommendations of the special education reform task force published in January 2016.

(2) The department shall use funds allocated under this section for the purpose of piloting statewide implementation of the MiMTSS Center, a nationally recognized program that includes positive behavioral intervention and supports and provides a statewide structure to support local initiatives for an integrated behavior and reading program. With the assistance of the intermediate districts involved in the MiMTSS Center, the department shall identify a number of intermediate districts to participate in the pilot that is sufficient to ensure that the MiMTSS Center can be implemented statewide with fidelity and sustainability. In addition, the department shall identify an
Sec. 54d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $21,250,000.00 $22,313,000.00 for 2022-2023-2023-2024 to intermediate districts for the purpose of providing state early on services programs for children from birth to 3 years of age with a developmental delay or a disability, or both, and their families, as described in the early on Michigan state plan, as approved by the department.

(2) To be eligible to receive grant funding under this section, each intermediate district must apply in a form and manner determined by the department.

(3) The grant funding allocated under this section must be used to increase early on services and resources available to children that demonstrate developmental delays to help prepare them for success as they enter school. State early on services include evaluating and providing early intervention services for eligible infants and toddlers and their families to address developmental delays, including those affecting physical, cognitive, communication, adaptive, social, or emotional development. Grant funds must not be used to supplant existing services that are currently being provided.

(4) The department shall distribute the funds allocated under subsection (1) to intermediate districts according to the department's early on funding formula utilized to distribute the federal award to Michigan under part C of the individuals with disabilities education act, Public Law 108-446. Funds received
under this section must not supplant existing funds or resources allocated for early on early intervention services. An intermediate district receiving funds under this section shall maximize the capture of Medicaid funds to support early on early intervention services to the extent possible.

(5) Each intermediate district that receives funds under this section shall report data and other information to the department in a form, manner, and frequency prescribed by the department to allow for monitoring and evaluation of the program and to ensure that the children described in subsection (1) received appropriate levels and types of services delivered by qualified personnel, based on the individual needs of the children and their families.

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

(7) Grant funds awarded and allocated to an intermediate district under this section must be expended by the grant recipient before June 30 of the fiscal year immediately following the fiscal year in which the funds were received.

Sec. 56. (1) For the purposes of this section:

(a) "Membership" means for a particular fiscal year the total membership of the intermediate district and the districts constituent to the intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, membership of the district is not included in the membership of the intermediate district.

(b) "Millage levied" means the millage levied for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741, including a levy for debt service obligations.
(c) "Taxable value" means the total taxable value of the
districts constituent to an intermediate district, except that if a
district has elected not to come under part 30 of the revised
school code, MCL 380.1711 to 380.1741, taxable value of the
district is not included in the taxable value of the intermediate
district.

(2) From the allocation under section 51a(1), there is
allocated an amount not to exceed $40,008,100.00 for 2021-2022
2022-2023 and an amount not to exceed $40,008,100.00 for 2022-2023
2023-2024 to reimburse intermediate districts levying millages for
special education under part 30 of the revised school code, MCL
380.1711 to 380.1741. The purpose, use, and expenditure of the
reimbursement are limited as if the funds were generated by these
millages and governed by the intermediate district plan adopted
under article 3 of the revised school code, MCL 380.1701 to
380.1761. As a condition of receiving funds under this section, an
intermediate district distributing any portion of special education
millage funds to its constituent districts must submit for
departmental approval and implement a distribution plan.

(3) Except as otherwise provided in this subsection,
reimbursement for those millages levied in 2020-2021 2021-2022 is
made in 2021-2022 2022-2023 at an amount per 2021-2022
2020-2021 millage levied, and then subtracting from that amount the
2020-2021 millage levied, and then subtracting from that amount the
local community stabilization share revenue for
special education purposes behind each membership pupil for
reimbursement of personal property exemption loss under the local
community stabilization authority act, 2014 PA 86, MCL 123.1341 to
district whose 2017-2018 allocation was affected by the operation
of subsection (5) is an amount equal to 102.5% of the 2017-2018
allocation to that intermediate district.

(4) Except as otherwise provided in this subsection,
reimbursement for those millages levied in 2021-2022-2022-2023 is
made in 2022-2023-2023-2024 at an amount per 2021-2022-2022-2023
membership pupil computed by subtracting from $229,600.00
$241,100.00 the 2021-2022-2022-2023 taxable value behind each
membership pupil and multiplying the resulting difference by the
2021-2022-2022-2023 millage levied, and then subtracting from that
amount the 2021-2022-2022-2023 local community stabilization share
revenue for special education purposes and 2021-2022-2022-2023 tax
increment revenues captured by a brownfield redevelopment authority
created under the brownfield redevelopment financing act, 1996 PA
381, MCL 125.2651 to 125.2670, behind each membership pupil for
reimbursement of personal property exemption loss under the local
community stabilization authority act, 2014 PA 86, MCL 123.1341 to
123.1362, and reimbursements paid under section 26d for tax
increment revenues captured by a brownfield redevelopment authority
under the brownfield redevelopment financing act, 1996 PA 381, MCL
125.2651 to 125.2670. Reimbursement in 2022-2023-2023-2024 for an
intermediate district whose 2017-2018 allocation was affected by
the operation of subsection (5) is an amount equal to 102.5% of the
2017-2018 allocation to that intermediate district.

(5) The department shall ensure that the amount paid to a
single intermediate district under subsection (2) does not exceed
62.9% of the total amount allocated under subsection (2).
(6) The department shall ensure that the amount paid to a single intermediate district under subsection (2) is not less than 75% of the amount allocated to the intermediate district under subsection (2) for the immediately preceding fiscal year.

(7) From the allocation under section 51a(1), there is allocated an amount not to exceed $34,200,000.00 for 2021-2022, $34,200,000.00-$68,400,000.00 for 2022-2023, 2023-2024 only, to provide payments to intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The funds allocated under this subsection for 2023-2024 are to be spent over 2 fiscal years. The purpose, use, and expenditure of the payments under this subsection are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. The department shall provide a payment under this subsection to each intermediate district described in this subsection as follows:

(a) For 2021-2022, 2022-2023, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than $251.00 and that is levying at least 46.2% but less than 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from $251.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then
multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(b) For 2021-2022, 2022-2023, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than $281.00 and that is levying at least 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from $281.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(c) For 2022-2023, 2023-2024, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than $251.00 and that is levying at least 46.2% but less than 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from $251.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year.
immediately preceding fiscal year and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(d) For 2022-2023, 2023-2024, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than $296.00 and that is levying at least 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from $296.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(8) The funds allocated under subsection (7) for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to provide a special education millage incentive. The estimated completion date of the work project is
September 30, 2025.

(9) (8) As used in subsection (7):

(a) "3-year average membership" means the 3-year average pupil membership for each of the 3 most recent fiscal years.

(b) "3-year average special education millage revenue per pupil" means the 3-year average taxable value per mill levied behind each membership pupil for each of the 3 most recent fiscal years multiplied by the millage levied in the most recent fiscal year.

(10) After making allocations to eligible intermediate districts under subsections (3), (4), and (7), if funds remain unallocated from the allocation under subsections (2), the department must allocate remaining funds to intermediate districts proportional to the amounts allocated to intermediate districts under subsections (3) and (4).

Sec. 61a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $47,611,300.00 for 2022-2023 only to reimburse on an added cost basis districts, except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year and that has a foundation allowance as calculated under section 20 greater than the target foundation allowance under that section, and secondary area vocational-technical education centers for secondary-level career and technical education programs according to rules approved by the superintendent. It is the intent of the legislature that, for 2023-2024, 2024-2025, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this subsection will be $37,611,300.00. Applications for participation in the programs must be submitted in
the form prescribed by the department. The department shall
determine the added cost for each career and technical education
program area. The department shall prioritize the allocation of
added cost funds based on the capital and program expenditures
needed to operate the career and technical education programs
provided; the number of pupils enrolled; the advancement of pupils
through the instructional program; the existence of an articulation
agreement with at least 1 postsecondary institution that provides
pupils with opportunities to earn postsecondary credit during the
pupil's participation in the career and technical education program
and transfers those credits to the postsecondary institution upon
completion of the career and technical education program; and the
program rank in student placement, job openings, and wages, and
shall ensure that the allocation does not exceed 75% of the added
cost of any program. Notwithstanding any rule or department
determination to the contrary, when determining a district's
allocation or the formula for making allocations under this
section, the department shall include the participation of pupils
in grade 9 in all of those determinations and in all portions of
the formula. With the approval of the department, the board of a
district maintaining a secondary career and technical education
program may offer the program for the period from the close of the
school year until September 1. The program shall use existing
facilities and must be operated as prescribed by rules promulgated
by the superintendent.

(2) Except for a district that served as the fiscal agent for
a vocational education consortium in the 1993-94 school year, the
department shall reimburse districts and intermediate districts for
local career and technical education administration, shared time
career and technical education administration, and career education planning district career and technical education administration. The superintendent shall adopt guidelines for the definition of what constitutes administration and shall make reimbursement pursuant to those guidelines. The department shall not distribute more than $800,000.00 of the allocation in subsection (1) under this subsection.

(3) A career and technical education program funded under this section may provide an opportunity for participants who are eligible to be funded under section 107 to enroll in the career and technical education program funded under this section if the participation does not occur during regular school hours.

Sec. 61b. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2022-2023 an amount not to exceed $8,000,000.00 for CTE early middle college and CTE dual enrollment programs authorized under this section and for planning grants for the development or expansion of CTE early middle college programs. The purpose of these programs is to increase the number of Michigan residents with high-quality degrees or credentials, and to increase the number of students who are college and career ready upon high school graduation.

(2) From the funds allocated under subsection (1), the department shall allocate an amount as determined under this subsection to each intermediate district serving as a fiscal agent for state-approved CTE early middle college and CTE dual enrollment programs in each of the career education planning districts identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for
administrative costs for serving as the fiscal agent.

(3) To be an eligible fiscal agent, an intermediate district must agree to do all of the following in a form and manner determined by the department:

(a) Distribute funds to eligible CTE early middle college and CTE dual enrollment programs in a career education planning district as described in this section.

(b) Collaborate with the career and educational advisory council in the workforce development board service delivery area to develop 1 regional strategic plan under subsection (4) that aligns CTE programs and services into an efficient and effective delivery system for high school students. The department will align career education planning districts, workforce development board service delivery areas, and intermediate districts for the purpose of creating 1 regional strategic plan for each workforce development board service delivery area.

(c) Implement a regional process to rank career clusters in the workforce development board service delivery area as described under subsection (4). Regional processes must be approved by the department before the ranking of career clusters.

(d) Report CTE early middle college and CTE dual enrollment program and student data and information as prescribed by the department and the center.

(e) The local education agency responsible for student reporting in the Michigan student data system (MSDS) will report the total number of college credits the student earned, at the time of high school graduation, as determined by the department and the center.

(f) The local education agency will report each award outcome
in the Michigan student data system (MSDS) that the CTE early middle college student attained. For purposes of this subsection, an on-track CTE early middle college graduate is a graduate who obtained their high school diploma and at least 1 of the following:

(i) An associate's degree.
(ii) 60 transferrable college credits.
(iii) Professional certification.
(iv) A Michigan Early Middle College Association certificate.
(v) Participation in a registered apprenticeship.

(4) A regional strategic plan must be approved by the career and educational advisory council before submission to the department. A regional strategic plan must include, but is not limited to, the following:

(a) An identification of regional employer need based on a ranking of all career clusters in the workforce development board service delivery area ranked by 10-year projections of annual job openings and median wage for each standard occupational code in each career cluster as obtained from the United States Bureau of Labor Statistics. Standard occupational codes within high-ranking clusters also may be further ranked by median wage and annual job openings. The career and educational advisory council 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 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 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 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 in a specific career
cluster that will allow a student to earn a high school diploma and
achieve at least 1 of the following:

(i) For CTE early middle college, outcomes as defined in
subsection (3)(f).

(ii) For CTE dual enrollment, 1 of the following:
(A) An associate degree.
(B) An industry-recognized technical certification approved by
the department of labor and economic opportunity.
(C) Up to 60 transferable college credits.
(D) Participation in a registered apprenticeship, pre-
apprenticeship, or apprentice readiness program.

(c) Is aligned with the Michigan merit curriculum.

(d) Has an articulation or a college credit agreement with at
least 1 postsecondary institution that provides students with opportunities to receive postsecondary credits during the student's participation in the CTE early middle college or CTE dual enrollment program and transfers those credits to the postsecondary institution upon completion of the CTE early middle college or CTE dual enrollment program.

(e) Provides instruction that is supervised, directed, or coordinated by an appropriately certificated CTE teacher or, for concurrent enrollment courses, a postsecondary faculty member.

(f) Provides for highly integrated student support services that include at least the following:

(i) Teachers as academic advisors.

(ii) Supervised course selection.

(iii) Monitoring of student progress and completion.

(iv) Career planning services provided by a local one-stop service center as described in the Michigan works one-stop service center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a high school counselor or advisor.

(g) Has courses that are taught on a college campus, are college courses offered at the high school and taught by college faculty, or are courses taught in combination with online instruction.

(6) The department shall distribute funds to eligible CTE early middle college and CTE dual enrollment programs as follows:

(a) The department shall determine statewide average CTE costs per pupil for each CIP code program by calculating statewide average costs for each CIP code program for the 3 most recent fiscal years.

(b) The distribution to each eligible CTE early middle college
or CTE dual enrollment program is the product of 50% of CTE costs per pupil times the pupil enrollment of each eligible CTE early middle college or CTE dual enrollment program in the immediately preceding school year.

(7) In order to receive funds under this section, a CTE early middle college or CTE dual enrollment program shall furnish to the intermediate district that is the fiscal agent identified in subsection (2), in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department.

(8) There is allocated for 2022-2023-2023-2024 from the funds under subsection (1) an amount not to exceed $500,000.00 from the state school aid fund allocation for grants to intermediate districts or consortia of intermediate districts for the purpose of planning for new or expanded early middle college programs. Applications for grants must be submitted in a form and manner determined by the department. The amount of a grant under this subsection must not exceed $50,000.00. To be eligible for a grant under this subsection, an intermediate district or consortia of intermediate districts must provide matching funds equal to the grant received under this subsection. Notwithstanding section 17b, the department shall make payments under this subsection in the manner determined by the department.

(9) Funds distributed under this section may be used to fund program expenditures that would otherwise be paid from foundation allowances. A program receiving funding under section 61a may
receive funding under this section for allowable costs that exceed
the reimbursement the program received under section 61a. The
combined payments received by a program under section 61a and this
section must not exceed the total allowable costs of the program. A
program provider shall not use more than 5% of the funds allocated
under this section to the program for administrative costs.

(10) If the allocation under subsection (1) is insufficient to
fully fund payments as otherwise calculated under this section, the
department shall prorate payments under this section on an equal
percentage basis.

(11) If pupils enrolled in a career cluster in an eligible CTE
early middle college or CTE dual enrollment program qualify to be
reimbursed under this section, those pupils continue to qualify for
reimbursement until graduation, even if the career cluster is no
longer identified as being in the highest 5 career cluster
rankings.

(12) As used in this section:

(a) "Allowable costs" means those costs directly attributable
to the program as jointly determined by the department of labor and
economic opportunity and the department.

(b) "Career and educational advisory council" means an
advocacy council to the local workforce development boards located
in a workforce development board service delivery area consisting
of educational, employer, labor, and parent representatives.

(c) "CIP" means classification of instructional programs.

(d) "CTE" means career and technical education programs.

(e) "CTE dual enrollment program" means a 4-year high school
program of postsecondary courses offered by eligible postsecondary
educational institutions that leads to an industry-recognized
certification or degree.

(f) "Early middle college program" means a 5-year high school program.

(g) "Eligible postsecondary educational institution" means that term as defined in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

Sec. 61c. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed $7,500,000.00 to eligible career education planning districts for the purposes described in this section. To be eligible to receive funding under this section, at least 50% of the area served by a CEPD must be located in an intermediate district that did not levy a vocational education millage in 2022.

(2) To receive funding under subsection (1), each eligible CEPD must apply in a form and manner prescribed by the department. Funding to each eligible CEPD must be equal to the quotient of the allocation under subsection (1) and the sum of the number of career education planning districts applying for funding under subsection (1) that are located in an intermediate district that did not levy a vocational education millage in 2022, proportionate to the number of state-approved CTE programs, based on program serial numbers, excluding early middle college programs, within the CEPD in 2023, except that a CEPD for which at least 50% of the area served by the CEPD is located in an intermediate district that did not levy a millage for area vocational-technical education in 2023 must receive twice the allocation as otherwise calculated under this subsection.

(3) At least 50% of the funding allocated to each eligible
CEPD under this section must be used to update equipment in current state-approved CTE programs that have been identified in the highest 5 career cluster rankings in any of the prosperity regions in the most recent CEPD regional strategic plans jointly approved by the Michigan talent investment agency in the department of labor and economic opportunity and the department; for training on new equipment; for professional development relating to computer science or coding or new equipment purchases; for the replacement of old or outdated equipment or new equipment in existing state-approved CTE programs that align with new technology used in industries; or for new and emerging certified state-approved CTE programs to allow CEPD administrators to provide programming in communities that will enhance economic development. The funding for equipment should be used to support and enhance community areas that have sustained job growth, and act as a commitment to build a more qualified and skilled workforce. In addition, each CEPD is encouraged to explore the option of leasing equipment from local private industry to encourage the use of the most advanced equipment.

(4) The allocation of funds under this section at the local level must be determined by CEPD administrators using data from the state, region, and local sources to make well-informed decisions on program equipment improvements. Grants awarded by CEPD administrators for capital infrastructure costs related to the purchase of new equipment must be used to ensure that state-approved CTE programs can deliver educational programs in high-wage, high-skill, and high-demand occupations. Each CEPD shall continue to ensure that program advisory boards make recommendations on needed improvements for equipment that support
job growth and job skill development and retention for both the present and the future.

(5) Not later than September–December 15 of each fiscal year, each CEPD receiving funding shall annually report to the department, the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, and the legislature on equipment purchased under subsection (1). In addition, the report must identify growth data on program involvement, retention, and development of student skills.

(6) As used in this section:

(a) "CEPD" means a career education planning district described in this section.

(b) "CTE" means career and technical education.

Sec. 61d. (1) From the appropriation in section 11, there is allocated for 2022–2023–2023–2024 an amount not to exceed $5,000,000.00 from the state school aid fund for additional payments to districts for career and technical education programs for the purpose of increasing the number of Michigan residents with high-quality degrees or credentials, and to increase the number of pupils who are college- and career-ready upon high school graduation.

(2) The department shall calculate payments to districts under this section in the following manner:

(a) A payment of $35.00 multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program.

(b) An additional payment of $35.00 multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program.
education program that provides instruction in critical skills and high-demand career fields.

(3) If the allocation under subsection (1) is insufficient to fully fund payments under subsection (2), the department shall prorate payments under this section on an equal per-pupil basis.

(4) If a student attends a career and technical education program at an intermediate district, the payment under subsection (2) attributable to that student must be split equally between the intermediate district providing the program and the district that counts the student in membership.

(4) (5) As used in this section:

(a) "Career and technical education program" means a state-approved career and technical education program, as determined by the department.

(b) "Career and technical education program that provides instruction in critical skills and high-demand career field" means a career and technical education program classified under any of the following 2-digit classification of instructional programs (CIP) codes:

(i) 01, which refers to "agriculture, agriculture operations, and related sciences".

(ii) 03, which refers to "natural resources and conservation".

(iii) 10 through 11, which refers to "communications technologies/technicians and support services" and "computer and information sciences and support services".

(iv) 14 through 15, which refers to "engineering" and "engineering technologies and engineering-related fields".

(v) 26, which refers to "biological and biomedical sciences".

(vi) 46 through 48, which refers to "construction trades",
"mechanic and repair technologies/technicians", and "precision production". (vii) 51, which refers to "health professions and related programs".

Sec. 62. (1) For the purposes of this section:
(a) "Membership" means for a particular fiscal year the total membership of the intermediate district and the districts constituent to the intermediate district or the total membership of the area vocational-technical program, except that if a district has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, the membership of that district are not included in the membership of the intermediate district. However, the membership of a district that has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is included in the membership of the intermediate district if the district meets both of the following:
(i) The district operates the area vocational-technical education program pursuant to a contract with the intermediate 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.

(b) "Millage levied" means the millage levied for area vocational-technical education under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, including a levy for debt service obligations incurred as the result of borrowing for capital outlay projects and in meeting capital projects fund
requirements of area vocational-technical education.

(c) "Taxable value" means the total taxable value of the districts constituent to an intermediate district or area vocational-technical education program, except that if a district has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, the taxable value of that district is not included in the taxable value of the intermediate district. However, the taxable value of a district that has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is included in the taxable value of the intermediate district if the district meets both of the following:

(i) The district operates the area vocational-technical education program pursuant to a contract with the intermediate 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 2021-2022, 2022-2023, and for 2023-2024 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 2020-2021-2022 is made in 2021-2022-2022-2023 at an amount per 2020-2021 membership pupil computed by subtracting from $227,300.00 the 2020-2021-2021-2022 taxable value behind each membership pupil and multiplying the resulting difference by the 2020-2021-2021-2022 millage levied, and then subtracting from that amount the 2020-2021-2021-2022 local community stabilization share revenue for area vocational technical education 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 2021-2022-2022-2023 is made in 2022-2023-2023-2024 at an amount per 2021-2022 membership pupil computed by subtracting from $237,500.00 the 2021-2022-2022-2023 taxable value behind each membership pupil and multiplying the resulting difference by the 2021-2022-2022-2023 millage levied, and then subtracting from that amount the 2021-2022-2022-2023 local community stabilization share revenue for area vocational technical education and 2021-2022-2023 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

(5) The department shall ensure that the amount paid to a
single intermediate district under this section does not exceed 38.4% of the total amount allocated under subsection (2).

(6) The department shall ensure that the amount paid to a single intermediate district under this section is not less than 75% of the amount allocated to the intermediate district under this section for the immediately preceding fiscal year.

Sec. 65. (1) From the appropriation under section 11, there is allocated an amount not to exceed $900,000.00 for 2022-2023-2023-2024 only for a pre-college engineering K-12 educational program that is focused on the development of a diverse future Michigan workforce, that serves multiple communities within southeast Michigan, that enrolls pupils from multiple districts, and that received funds appropriated for this purpose in the appropriations act that provided the Michigan strategic fund budget for 2014-2015. It is the intent of the legislature that, for 2023-2024, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be $400,000.00.

(2) To be eligible for funding under this section, a program must have the ability to expose pupils to, and motivate and prepare pupils for, science, technology, engineering, and mathematics careers and postsecondary education with special attention given to groups of pupils who are at-risk and underrepresented in technical professions and careers.

Sec. 67. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed $3,000,000.00 for 2022-2023-2023-2024 for college access programs. The programs funded under this section are intended to inform students of college and career options and to provide resources
intended to increase the number of pupils who are adequately
prepared with the information needed to make informed decisions on
college and career. The funds appropriated under this section are
intended to be used to increase the number of Michigan residents
with high-quality degrees or credentials. Funds appropriated under
this section must not be used to supplant funding for counselors
already funded by districts.

(2) The department of labor and economic opportunity shall
administer funds allocated under this section in collaboration with
the Michigan college access network. These funds may be used for
any of the following purposes:

(a) Michigan college access network operations, programming,
and services to local college access networks.

(b) Local college access networks, which are community-based
college access/success partnerships committed to increasing the
college participation and completion rates within geographically
defined communities through a coordinated strategy.

(c) The Michigan college advising program, a program intended
to place trained, recently graduated college advisors in high
schools that serve significant numbers of low-income and first-
generation college-going pupils. State funds used for this purpose
may not exceed 33% of the total funds available under this
subsection.

(d) Subgrants of up to $5,000.00 to districts with
comprehensive high schools that establish a college access team and
implement specific strategies to create a college-going culture in
a high school in a form and manner approved by the Michigan college
access network and the department of labor and economic
opportunity.
(e) The Michigan college access portal, an online one-stop portal to help pupils and families plan and apply for college.

(f) Public awareness and outreach campaigns to encourage low-income and first-generation college-going pupils to take necessary steps toward college and to assist pupils and families in completing a timely and accurate free application for federal student aid.

(g) Subgrants to postsecondary institutions to recruit, hire, and train college student mentors and college advisors to assist high school pupils in navigating the postsecondary planning and enrollment process.

(3) For the purposes of this section, "college" means any postsecondary educational opportunity that leads to a career, including, but not limited to, a postsecondary degree, industry-recognized technical certification, or registered apprenticeship.

Sec. 67f. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $15,000,000.00 for the FAFSA completion challenge. Funds allocated under this section must be distributed to districts to improve FAFSA completion rates.

(2) To be eligible to receive funding under this section, each district must apply in a form and manner prescribed by the department. As part of the application, the district must demonstrate to the department that each high school from the applying district receiving funds under this section has a data-use agreement on file with the department of treasury naming at least 1 data receiver designee to access student-level data regarding FAFSA completion.

(3) By not later than November 30, 2023, the department must
pay, from funds allocated under this section, each eligible
district an amount not to exceed $50.00 multiplied by the number of
students enrolled and attending grade 12 in the district. The
receiving district must use funds received under this subsection
for participation in and implementation of activities that are
known to drive FAFSA completion, as determined by the department,
in collaboration with the Michigan College Access Network.
Districts may use funds under this subsection to purchase gift
cards of $50.00 to be disbursed for students who have submitted
their FAFSA on or prior to May 1, 2024.

(4) By not later than May 31, 2024, the department must pay,
from funds allocated under this section, each eligible district an
amount not to exceed $50.00 multiplied by the number of students
enrolled and attending grade 12 in the district who submitted a
FAFSA on or prior to May 1, 2024. The district must use funds
received under this subsection for the purchase and distribution of
gift cards for grade 12 students who submitted their FAFSA on or
prior to May 1, 2024. For purposes of this subsection, the amount
of funding a district used from subsection (3) to purchase gift
cards up to $50.00 for each student who submitted their FAFSA on or
prior to May 1, 2024 must be used for participation in and
implementation of activities that are known to drive FAFSA
completion, as determined by the department, in collaboration with
the Michigan College Access Network.

(5) By not later than August 1, 2024, the department must pay,
from funds allocated under this section, each eligible district an
amount not to exceed $50.00 multiplied by the number of students
enrolled and attending grade 12 in the district who submitted a
FAFSA prior to June 30, 2024. Funds received under this subsection
may be used for discretionary purposes, as determined by the
districts, though districts are encouraged to use funds received
under this subsection to continue work to improve FAFSA completion
rates.

(6) The department must collaborate with the department of
treasury to verify eligible FAFSA completion counts for the
purposes of calculating payments under subsections (4) and (5).

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

(8) As used in the section, "FAFSA" means the free application
for federal student aid form.

Sec. 74. (1) From the state school aid fund money appropriated
in section 11, there is allocated an amount not to exceed
$3,964,800.00–$3,842,700.00 for 2021–2022 and there is allocated an
amount not to exceed $3,844,200.00 for 2022–2023–2023-2024 for the
purposes of this section.

(2) From the allocation in subsection (1), there is allocated
for 2021–2022 and for 2022–2023–2023-2024 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 2021-2022 and for 2022-2023-2023-2024 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 $1,780,800.00-$1,817,700.00 for
2021-2022 and there is allocated an amount not to exceed
$1,819,200.00 for 2022-2023-2023-2024 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. 74b. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $150,000,000.00 for grants under the clean school bus grant program as described in this section. Funds under this section must be administered through the department's MI Clean Fleet Initiative, which supports the conversion of vehicular fleets to low or no greenhouse gas emissions operations as determined by the department.

(2) To receive funding under this section, qualified recipients must apply for funding in a form and manner prescribed by the department. Qualified recipients must agree to be responsive to legitimate and reasonable requests from this state to support the promotion, education, and operation of EV school buses, including participating in and offering ride events for the public and drive events for other school bus drivers as allowed by insurance.

(3) The department must award funding under this section on a prioritization basis, with funds covering 90% of the cost for prioritized qualified recipients and 70% of costs for nonprioritized qualified recipients. The department may cap total funding amounts per qualified recipient. Funding under this section must not be used for maintenance or operational costs of new or
existing vehicles.

(4) The department must establish eligibility standards for replacement and new bus purchases, including eligibility standards for which types of buses are eligible for purchase with funds under this section. For a qualified recipient that is a privately owned school bus company, the qualified recipient must agree to repay a portion of amounts received from funds under this section if the qualified recipient does not maintain a service contract with a public school district for the useful life of vehicles purchased with funds under this section. The department must determine a repayment amount based on the projected useful life of the vehicle purchased, the number of years in which the privately owned school bus company maintained a service contract with a public school district, and the total amount of funding received under this section.

(5) The department must create and publicly post selection criteria and prioritization of qualified recipients. The department shall utilize federal Justice40 parameters for this process. Criteria must give preference to school districts in:

(a) National Ambient Air Quality Standards (NAAQS) nonattainment zones.

(b) Environmental justice communities as identified by the state’s MiEJScreen Environmental Justice Screening Tool.

(c) Small Area Income and Poverty Estimates (SAIPE) Program areas.

(d) Rural areas as defined by locale codes "43-Rural: Remote" and "42-Rural: Distant" by the National Center for Education Statistics.

(e) Communities with high free and reduced lunch participation
(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(7) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to provide support for qualified recipients to transition to environmentally friendly transportation vehicles. The estimated completion date of the work project is September 30, 2027.

(8) As used in this section:
   (a) "Department" means the department of environment, Great Lakes, and energy.
   (b) "Qualified recipient" means a district, an intermediate district, or a privately owned school bus company under contract with a public school district.

Sec. 81. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 to the intermediate districts the sum necessary, but not to exceed $75,642,600.00 to provide state aid to intermediate districts under this section.

(2) The amount allocated under this section for 2022-2023 to each intermediate district is an amount equal to 105.2% of the amount allocated to the intermediate district under this section for 2021-2022. An intermediate district shall use funding provided under this section to comply with requirements of this article and the revised school code that are applicable to intermediate districts, and for which funding is not provided elsewhere in this article, and to provide technical
assistance to districts as authorized by the intermediate school board.

(3) Intermediate districts receiving funds under this section shall collaborate with the department to develop expanded professional development opportunities for teachers to update and expand their knowledge and skills needed to support the Michigan merit curriculum.

(4) From the allocation in subsection (1), there is allocated to an intermediate district, formed by the consolidation or annexation of 2 or more intermediate districts or the attachment of a total intermediate district to another intermediate district or the annexation of all of the constituent K-12 districts of a previously existing intermediate district which has disorganized, an additional allotment of $3,500.00 each fiscal year for each intermediate district included in the new intermediate district for 3 years following consolidation, annexation, or attachment.

(5) In order to receive funding under this section, an intermediate district shall do all of the following:

(a) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in pupil accounting and auditing procedures, rules, and regulations.

(b) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in rules, regulations, and district reporting procedures for the individual-level student data that serves as the basis for the calculation of the district and high school graduation and dropout rates.

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

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

(f) Provide advice, guidance, and leadership to assist all districts located within its geographic boundaries to assist in the preparedness and response efforts toward addressing COVID-19. At a minimum, this must include the coordination and collaboration with any local public health agency that has jurisdiction within the intermediate district's geographic boundaries and may include the coordination of bulk purchasing of personal protective equipment, technology, or other products or services necessary for students to return to school.

(g) Ensure that all districts located within its geographic boundaries have equitable access to the intermediate district's coordination activities and services, intermediate district-wide or regional meetings, regularly scheduled superintendent meetings, programming, events, email distribution lists, listservs, or other coordination or collaboration activities organized by or hosted at the intermediate district. In ensuring that all districts located within the geographic boundaries of the intermediate district have equitable access to services, meetings, programming, events, email distribution lists, listservs, or activities as described in the immediately preceding sentence, the intermediate district shall ensure that districts that are public school academies that are located within its geographic boundaries are not excluded from said services, meetings, programming, events, email distribution lists, listservs, or activities organized by or hosted at the intermediate district.
district if districts that are not public school academies that are
located within the geographic boundaries of the intermediate
district are not excluded.

Sec. 94. (1) From the general fund money appropriated in
section 11, there is allocated to the department for 2022-2023
2023-2024 an amount not to exceed $1,200,000.00 for efforts to
increase the number of pupils who participate and succeed in
advanced placement programs, and international baccalaureate
programs, and career and technical education programs, and to
support the college-level examination program (CLEP).

(2) From the funds allocated under this section, the
department shall award funds to cover all or part of the costs of
advanced placement test fees or international baccalaureate test
fees and international baccalaureate registration fees any of the
following for low-income pupils: who take an advanced placement or
an international baccalaureate test and CLEP fees for low-income
pupils who take a CLEP test.

(a) Advanced placement test fees.

(b) International baccalaureate test fees.

(c) International baccalaureate registration fees.

(d) CLEP fees.

(e) Fees for assessments required by this state as a
prerequisite for obtaining a professional certification or locally
and state-recognized industry certifications.

(f) Fees for career and technical skills assessments necessary
to achieve completer status in a career and technical education
program.

(g) Fees for assessments that enable students to earn credit
for introductory level courses that count toward completion of a
postsecondary credential.

(h) Fees for any other assessment determined by the department to be capable of generating postsecondary credentials for high school students.

(3) The department shall only award funds under this section if the department determines that all of the following criteria are met:

(a) Each pupil for whom payment is made meets eligibility requirements of the federal advanced placement test fee program under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95, as applicable.

(b) The tests are administered by the college board, the international baccalaureate organization, or another test provider approved by the department.

(c) The pupil for whom payment is made pays at least $5.00 toward the cost of each test for which payment is made.

(4) The department shall establish procedures for awarding funds under this section.

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

Sec. 94a. (1) There is created within the state budget office in the department of technology, management, and budget the center for educational performance and information. The center shall do all of the following:

(a) Coordinate the collection of all data required by state and federal law from districts, intermediate districts, and postsecondary institutions.

(b) Create, maintain, and enhance this state's P-20
longitudinal data system and ensure that it meets the requirements of subsection (4).

(c) Collect data in the most efficient manner possible in order to reduce the administrative burden on reporting entities, including, but not limited to, electronic transcript services.

(d) Create, maintain, and enhance this state's web-based educational portal to provide information to school leaders, teachers, researchers, and the public in compliance with all federal and state privacy laws. Data must include, but are not limited to, all of the following:

(i) Data sets that link teachers to student information, allowing districts to assess individual teacher impact on student performance and consider student growth factors in teacher and principal evaluation systems.

(ii) Data access or, if practical, data sets, provided for regional data hubs that, in combination with local data, can improve teaching and learning in the classroom.

(iii) Research-ready data sets for researchers to perform research that advances this state's educational performance.

(e) Provide data in a useful manner to allow state and local policymakers to make informed policy decisions.

(f) Provide public reports to the residents of this state to allow them to assess allocation of resources and the return on their investment in the education system of this state.

(g) Other functions as assigned by the state budget director.

(2) Each state department, officer, or agency that collects information from districts, intermediate districts, or postsecondary institutions as required under state or federal law shall make arrangements with the center to ensure that the state
department, officer, or agency is in compliance with subsection (1). This subsection does not apply to information collected by the department of treasury under the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL 380.1351a.

(3) The center may enter into any interlocal agreements necessary to fulfill its functions.

(4) The center shall ensure that the P-20 longitudinal data system required under subsection (1)(b) meets all of the following:

(a) Includes data at the individual student level from preschool through postsecondary education and into the workforce.

(b) Supports interoperability by using standard data structures, data formats, and data definitions to ensure linkage and connectivity in a manner that facilitates the exchange of data among agencies and institutions within the state and between states.

(c) Enables the matching of individual teacher and student records so that an individual student may be matched with those teachers providing instruction to that student.

(d) Enables the matching of individual teachers with information about their certification and the institutions that prepared and recommended those teachers for state certification.

(e) Enables data to be easily generated for continuous improvement and decision-making, including timely reporting to parents, teachers, and school leaders on student achievement.

(f) Ensures the reasonable quality, validity, and reliability
of data contained in the system.

(g) Provides this state with the ability to meet federal and state reporting requirements.

(h) For data elements related to preschool through grade 12 and postsecondary, meets all of the following:

(i) Contains a unique statewide student identifier that does not permit a student to be individually identified by users of the system, except as allowed by federal and state law.

(ii) Contains student-level enrollment, demographic, and program participation information including data associated with students who have been identified as having an affiliation to 1 or more federally recognized Indian tribes and student participation in federal programs funded under 20 USC 7401 to 7546 and participation in federal programs funded under the Johnson-O'Malley Supplemental Indian Education Program Modernization Act, Public Law 115-404.

(iii) Contains student-level information about the points at which students exit, transfer in, transfer out, drop out, or complete education programs.

(iv) Has the capacity to communicate with higher education data systems.

(i) For data elements related to preschool through grade 12 only, meets all of the following:

(i) Contains yearly test records of individual students for assessments approved by DED-OESE for accountability purposes under section 1111(b) of the elementary and secondary education act of 1965, 20 USC 6311, including information on individual students not tested, by grade and subject.

(ii) Contains student-level transcript information, including
information on courses completed and grades earned.  

(iii) Contains student-level college readiness test scores.  

(j) For data elements related to postsecondary education only:  

(i) Contains data that provide information regarding the extent to which individual students transition successfully from secondary school to postsecondary education, including, but not limited to, all of the following:  

(A) Enrollment in remedial coursework.  

(B) Completion of 1 year's worth of college credit applicable to a degree within 2 years of enrollment.  

(ii) Contains data that provide other information determined necessary to address alignment and adequate preparation for success in postsecondary education.  

(5) From the general fund money appropriated in section 11, there is allocated an amount not to exceed $19,032,300.00 $18,988,600.00 for 2022-2023 2023-2024 to the department of technology, management, and budget to support the operations of the center. In addition, from the federal funds appropriated in section 11, there is allocated for 2022-2023 2023-2024 the amount necessary, estimated at $193,500.00, to support the operations of the center and to establish a P-20 longitudinal data system necessary for state and federal reporting purposes. The center shall cooperate with the department to ensure that this state is in compliance with federal law and is maximizing opportunities for increased federal funding to improve education in this state.  

(6) From the funds allocated in subsection (5), the center may use an amount determined by the center for competitive grants for 2022-2023 2023-2024 to support collaborative efforts on the P-20 longitudinal data system. All of the following apply to grants
awarded under this subsection:

(a) The center shall award competitive grants to eligible intermediate districts or a consortium of intermediate districts based on criteria established by the center.

(b) Activities funded under the grant must support the P-20 longitudinal data system portal and may include portal hosting, hardware and software acquisition, maintenance, enhancements, user support and related materials, and professional learning tools and activities aimed at improving the utility of the P-20 longitudinal data system.

(c) An applicant that received a grant under this subsection for the immediately preceding fiscal year has priority for funding under this section. However, after 3 fiscal years of continuous funding, an applicant is required to compete openly with new 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, "DED-OESE" means the United
Sec. 97. (1) From the state school aid fund money appropriated in section 11, there is allocated $150,000,000.00-$300,000,000.00 for 2022-2023-2023-2024 only, and from the general fund money appropriated in section 11, there is allocated $18,000,000.00 for 2022-2023-2023-2024 only, to provide payments to districts, intermediate districts, and nonpublic schools for activities to improve student safety. **It is intended that 50% of the state school aid fund money allocated in this section is distributed to districts and intermediate districts during 2023-2024 and 50% is distributed during 2024-2025.** Allowable expenditures of funds allocated under this section include, but are not limited to, the following:

(a) Coordination with local law enforcement.

(b) Training for school staff on threat assessment.

(c) Training for school staff and students on threat response.

(d) Training for school staff on crisis communication.

(e) Safety infrastructure, including, but not limited to, cameras, door blocks, hardened vestibules, window screening, and technology necessary to operate buzzer systems. This may also include firearm detection software that integrates to existing security cameras to detect and alert school personnel and first responders to visible firearms on school property. The software described in the immediately preceding sentence must be organically developed and proprietary to the company it is purchased from and should not include any third-party or open-source data.

(f) Age-appropriate training for students and families on responsible gun ownership.
(g) Providing professional development to school resource officers that includes training on the best practices for serving in a school setting.

(h) School resource officers.

(i) (h) Any other school safety service or product necessary to improve or maintain security in buildings.

(2) From the state school aid fund money allocated in subsection (1), the department shall make payments to districts and intermediate districts in an equal amount per pupil based on the total number of pupils in membership in each district or intermediate district. From the general fund money allocated in subsection (1), the department shall make payments to nonpublic schools in an equal amount per pupil, using pupil counts determined by the department. The department shall ensure that the amount per pupil paid to nonpublic schools does not exceed the amount per pupil paid to districts and intermediate districts.

(3) If funding remains after the distribution of funds described in subsection (2), the department may provide additional per-pupil allocations to allocate remaining funding, using for those calculations the same requirements described in subsection (2).

(4) To receive funding under this section, districts, intermediate districts, and nonpublic schools must apply for the funding in a form and manner prescribed by the department. As part of the application process described in this subsection, districts, intermediate districts, and nonpublic schools must document how they will use community input to guide the expenditure of these funds and must commit to hosting at least 1 community conversation about school safety and student mental health.
(5) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to increase school safety as described in this section. The estimated completion date of the work project is September 30, 2025.

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

Sec. 97a. From the general fund money appropriated in section 11, there is allocated an amount not to exceed $1,947,000.00 for 2022-2023-2023-2024 only for Michigan Virtual University to support Navigate 360.

Sec. 97g. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $9,000,000.00 for grants to districts and intermediate districts for the purposes of this section.

(2) To receive payments under this section, a district or intermediate district must apply for the grant in a form and manner prescribed by the department.

(3) The department shall make grant payments from funding under this section in an amount not to exceed $10,000.00 per eligible district or intermediate district for the purpose of contracting with eligible cybersecurity risk assessment providers to perform a cybersecurity risk assessment for the district or intermediate district. Risk assessments funded under this section must, at a minimum, include all of the following:

(a) An identification of information technologies operated by the district or intermediate district and the various risks that
could affect those assets.

(b) An assessment of the levels of risks affecting the assets identified in subdivision (a).

(c) An identification of controls that should be implemented by the district or intermediate district to mitigate the risks described in subdivision (b).

(4) If, after awarding funding under subsection (3), funding remains from the allocation under subsection (1), the department may award additional payments to districts and intermediate districts on a competitive basis for the purposes of implementing cybersecurity controls identified under subsection (3)(c), and for training to avoid phishing attacks, for implementation of multi-factor authentication, and for deployment of off-site backup options. A district or intermediate district is only eligible for funding under this subsection if it was awarded funding under subsection (3). The department must prioritize funding under this subsection toward districts or intermediate districts based on the projected costs of implementing controls identified in subsection (3)(c) and the ability of the district or intermediate district to pay for these costs based on the available fund balance of the district or intermediate district.

(5) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to increase cybersecurity in districts and intermediate districts. The estimated completion date of the work project is September 30, 2025.

(6) For the purposes of this section, the department, in consultation with the department of technology, management, and
budget, shall determine a list of eligible cybersecurity risk assessment providers for the purposes of this section.

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

Sec. 98. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed $9,000,000.00 for 2022-2023-2023-2024 for the purposes described in this section. It is the intent of the legislature that, for 2023-2024, the allocation from the general fund money appropriated in section 11 for purposes described in this section will be $7,500,000.00. The Michigan Virtual University shall provide a report to the legislature not later than November 1 of each fiscal year for which funding is allocated under this section 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 the next fiscal year for which funding is allocated under this section. Not later than March 1 of each fiscal year for which funding is allocated under this section, 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:

(a) Support and accelerate innovation in education through the following activities:

(i) Test, evaluate, and recommend as appropriate new
technology-based instructional tools and resources.

(ii) Research, design, and recommend virtual education delivery models for use by pupils and teachers that include age-appropriate multimedia instructional content.

(iii) Research, develop, and recommend annually to the department criteria by which cyber schools and virtual course providers should be monitored and evaluated to ensure a quality education for their pupils.

(iv) Based on pupil completion and performance data reported to the department or the center from cyber schools and other virtual course providers operating in this state, analyze the effectiveness of virtual learning delivery models in preparing pupils to be college- and career-ready and publish a report that highlights enrollment totals, completion rates, and the overall impact on pupils. The Michigan Virtual Learning Research Institute shall submit the report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, the department, districts, and intermediate districts not later than March 31 of each fiscal year for which funding is allocated under this section.

(v) Provide an extensive professional development program to at least 30,000 educational personnel, including teachers, school administrators, and school board members, that focuses on the effective integration of virtual learning into curricula and instruction. The Michigan Virtual Learning Research Institute is encouraged to work with the MiSTEM council described in section 99s to coordinate professional development of teachers in applicable fields. In addition, the Michigan Virtual Learning Research Institute and external stakeholders are encouraged to coordinate
with the department for professional development in this state, including professional development for employees in child care facilities, early childhood facilities, and after-school programs. Not later than December 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual Learning Research Institute shall submit a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department on the number of teachers, school administrators, and school board members who have received professional development services from the Michigan Virtual University. The report must also include both of the following:

(A) The identification of barriers and other opportunities to encourage the adoption of virtual learning in the public education system.

(B) A link to, and explanation of, the Michigan Virtual University's online course standards for professional development programming. The standards described in this sub-subparagraph must inform learners how to file a complaint about course content and detail the steps that will be taken for the review and resolution of complaints.

(vi) Identify and share best practices for planning, implementing, and evaluating virtual and blended education delivery models with intermediate districts, districts, and public school academies to accelerate the adoption of innovative education delivery models statewide.

(b) Provide leadership for this state's system of virtual learning education by doing the following activities:

(i) Develop and report policy recommendations to the governor
and the legislature that accelerate the expansion of effective virtual learning in this state's schools.

(ii) Provide a clearinghouse for research reports, academic studies, evaluations, and other information related to virtual learning.

(iii) Promote and distribute the most current instructional design standards and guidelines for virtual teaching.

(iv) In collaboration with the department and interested colleges and universities in this state, support implementation and improvements related to effective virtual learning instruction.

(v) Pursue public/private partnerships that include districts to study and implement competency-based technology-rich virtual learning models.

(vi) Create a statewide network of school-based mentors serving as liaisons between pupils, virtual instructors, parents, and school staff, as provided by the department or the center, and provide mentors with research-based training and technical assistance designed to help more pupils be successful virtual learners.

(vii) Convene focus groups and conduct annual surveys of teachers, administrators, pupils, parents, and others to identify barriers and opportunities related to virtual learning.

(viii) Produce an annual consumer awareness report for schools and parents about effective virtual education providers and education delivery models, performance data, cost structures, and research trends.

(ix) Provide an internet-based platform that educators can use to create student-centric learning tools and resources for sharing in the state's open educational resource repository and facilitate
a user network that assists educators in using the content creation platform and state repository for open educational resources. As part of this initiative, the Michigan Virtual University shall work collaboratively with districts and intermediate districts to establish a plan to make available virtual resources that align to Michigan's K-12 curriculum standards for use by students, educators, and parents.

(x) Create and maintain a public statewide catalog of virtual learning courses being offered by all public schools and community colleges in this state. The Michigan Virtual Learning Research Institute shall identify and develop a list of nationally recognized best practices for virtual learning and use this list to support reviews of virtual course vendors, courses, and instructional practices. The Michigan Virtual Learning Research Institute shall also provide a mechanism for intermediate districts to use the identified best practices to review content offered by constituent districts. The Michigan Virtual Learning Research Institute shall review the virtual course offerings of the Michigan Virtual University, and make the results from these reviews available to the public as part of the statewide catalog. The Michigan Virtual Learning Research Institute shall ensure that the statewide catalog is made available to the public on the Michigan Virtual University website and shall allow the ability to link it to each district's website as provided for in section 21f. The statewide catalog must also contain all of the following:

(A) The number of enrollments in each virtual course in the immediately preceding school year.

(B) The number of enrollments that earned 60% or more of the total course points for each virtual course in the immediately preceding school year.
preceding school year.

(C) The pass rate for each virtual course.

(xi) Support registration, payment services, and transcript functionality for the statewide catalog and train key stakeholders on how to use new features.

(xii) Collaborate with key stakeholders to examine district level accountability and teacher effectiveness issues related to virtual learning under section 21f and make findings and recommendations publicly available.

(xiii) Provide a report on the activities of the Michigan Virtual Learning Research Institute.

(3) To further enhance its expertise and leadership in virtual learning, the Michigan Virtual University shall continue to operate the Michigan Virtual School as a statewide laboratory and quality model of instruction by implementing virtual and blended learning solutions for Michigan schools in accordance with the following parameters:

(a) The Michigan Virtual School must maintain its accreditation status from recognized national and international accrediting entities.

(b) The Michigan Virtual University shall use no more than $1,000,000.00 of the amount allocated under this section to subsidize the cost paid by districts for virtual courses.

(c) In providing educators responsible for the teaching of virtual courses as provided for in this section, the Michigan Virtual School shall follow the requirements to request and assess, and the department of state police shall provide, a criminal history check and criminal records check under sections 1230 and 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
the same manner as if the Michigan Virtual School were a school district under those sections.

(4) From the funds allocated under subsection (1), the Michigan Virtual University shall allocate up to $500,000.00 to support the expansion of new online and blended educator professional development programs.

(5) If the course offerings are included in the statewide catalog of virtual courses under subsection (2)(b)(x), the Michigan Virtual School operated by the Michigan Virtual University may offer virtual course offerings, including, but not limited to, all of the following:

(a) Information technology courses.

(b) College level equivalent courses, as that term is defined in section 1471 of the revised school code, MCL 380.1471.

(c) Courses and dual enrollment opportunities.

(d) Programs and services for at-risk pupils.

(e) High school equivalency test preparation courses for adjudicated youth.

(f) Special interest courses.

(g) Professional development programs for teachers, school administrators, other school employees, and school board members.

(6) If a homeschooled or nonpublic school student is a resident of a district that subscribes to services provided by the Michigan Virtual School, the student may use the services provided by the Michigan Virtual School to the district without charge to the student beyond what is charged to a district pupil using the same services.

(7) Not later than December 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual
University shall provide a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department that includes at least all of the following information related to the Michigan Virtual School for the preceding fiscal year:

(a) A list of the districts served by the Michigan Virtual School.

(b) A list of virtual course titles available to districts.

(c) The total number of virtual course enrollments and information on registrations and completions by course.

(d) The overall course completion rate percentage.

(8) In addition to the information listed in subsection (7), the report under subsection (7) must also include a plan to serve at least 600 schools with courses from the Michigan Virtual School or with content available through the internet-based platform identified in subsection (2)(b)(ix).

(9) The governor may appoint an advisory group for the Michigan Virtual Learning Research Institute established under subsection (2). The members of the advisory group serve at the pleasure of the governor and without compensation. The purpose of the advisory group is to make recommendations to the governor, the legislature, and the president and board of the Michigan Virtual University that will accelerate innovation in this state's education system in a manner that will prepare elementary and secondary students to be career and college ready and that will promote the goal of increasing the percentage of residents of this state with high-quality degrees and credentials to at least 60% by 2025.

(10) Not later than November 1 of each fiscal year for which
funding is allocated under this section, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies a detailed budget for that fiscal year that includes a breakdown on its projected costs to deliver virtual educational services to districts and a summary of the anticipated fees to be paid by districts for those services. Not later than March 1 each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies a breakdown on its actual costs to deliver virtual educational services to districts and a summary of the actual fees paid by districts for those services based on audited financial statements for the immediately preceding fiscal year.

(11) As used in this section:

(a) "Blended learning" means a hybrid instructional delivery model where pupils are provided content, instruction, and assessment, in part at a supervised educational facility away from home where the pupil and a teacher with a valid Michigan teaching certificate are in the same physical location and in part through internet-connected learning environments with some degree of pupil control over time, location, and pace of instruction.

(b) "Cyber school" means a full-time instructional program of virtual courses for pupils that may or may not require attendance at a physical school location.

(c) "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 in which the majority of the
curriculum is delivered using the internet and in which pupils are
separated from their instructor or teacher of record by time or
location, or both.

Sec. 98d. (1) From the state school aid fund money
appropriated under section 11, there is allocated for 2023-2024
only an amount not to exceed $5,000,000.00 to Northern Michigan
University to support the MLC as described in this section.
Northern Michigan University shall not retain any portion of the
funding received under this section for administrative purposes and
shall provide funding to support the MLC. All of the following
apply to the MLC:

(a) The MLC must expand literacy programming over the air,
online, and in communities that is aligned with this state's pre-K
to 12 educational standards.

(b) The MLC shall provide over-the-air broadcasts 24 hours
each day for 7 days each week of quality instructional content that
is aligned with this state's pre-K to 12 educational standards.
Over-the-air broadcasts as described in this subdivision must be
streamed live and must be archived for on-demand viewing on a
companion website, along with additional learning materials
relevant to lessons.

(c) The MLC must be managed and operated by DPTV, and DPTV
shall assume all risk, liability, and responsibility for the MLC in
accordance with regulations by the United States Federal
Communications Commission, PBS broadcast standards, and standard
nonprofit business standards. DPTV shall serve as the fiduciary
agent and service manager for the MLC. The MLC shall originate from
a central operations center that is responsible for providing the
infrastructure, content, and engagement of the MLC in partnership
with this state's educational leadership organizations.

(d) The MLC shall require that DPTV provide technology, funding, staff training, and central management of the MLC to station partners to insert additional channels into each station's broadcast streams and to support staffing and engagement as outlined in a memorandum of understanding among the stations.

(e) The MLC shall require that DPTV partner with at least 5 other Michigan public television stations, including, but not limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-the-air MLC broadcasts described in this section and to support engagement with local educators. Stations described in this subdivision must be able to use the infrastructure provided by the MLC to develop their own local content that best serves their communities.

(f) The MLC shall not use the funds received from Northern Michigan University under this section in support of the MLC for any purposes fully funded by the governor's emergency education relief fund grant.

(2) Not later than February 1, 2024, the MLC shall provide a report to the house and senate appropriations subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director detailing the MLC's compliance with ensuring that conditions listed under subsection (1) were met.

(3) Notwithstanding section 17b, the department shall make payments under this section not later than December 1, 2023.

(4) As used in this section:

(a) "DPTV" means Detroit public television.

(b) "MLC" means the Michigan learning channel.

Sec. 99h. (1) From the state school aid fund money
appropriated in section 11, there is allocated an amount not to exceed $5,223,200.00 for 2022-2023-2023-2024 for competitive grants to districts and intermediate districts, and from the general fund money appropriated in section 11, there is allocated $600,000.00 for 2022-2023 for competitive grants to nonpublic schools, that provide pupils in grades pre-K to 12 with expanded opportunities to improve mathematics, science, and technology skills by participating in competitions hosted by a science and technology development program known as FIRST (for inspiration and recognition of science and technology) Robotics, including JR FIRST Lego League, FIRST Lego League, FIRST Tech challenge, and FIRST Robotics competition, or other competitive robotics programs or equipment vendors, including VEX, Square One, and those hosted by the Robotics Education and Competition (REC) Foundation. It is the intent of the legislature that, for 2023-2024-2024-2025, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be $4,723,200.00. Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments and to increase the number of pupils who are college- and career-ready upon high school graduation. Notwithstanding section 17b, the department shall make grant payments to districts, nonpublic schools, and intermediate districts under this section on a schedule determined by the department. The department shall set maximum grant awards for each different level of programming and competition in a manner that both maximizes the number of teams that will be able to receive funds and expands the geographical distribution of teams. Districts and intermediate districts that
receive funds under this section must provide relevant student participation information, as determined by the department, to program competition providers described in this section. For a district or intermediate district to count a program competition provider for purposes of payments under this section, the program competition providers must agree to aggregate data received by districts and intermediate districts and provide this information to the department in a form and manner prescribed by the department.

(2) The department shall do all of the following for purposes of this section:

(a) Both of the following by not later than 60 days after the K to 12 appropriations bill for the current fiscal year is enacted into law or October 1 of the current fiscal year, whichever is later:

(i) Open applications for funding under this section to all districts, nonpublic schools, and intermediate districts.

(ii) Publish a list of approved programs and vendors for purposes of this section in a manner that is accessible to all applicants. To obtain approval under this subparagraph, a program or vendor must do both of the following:

(A) Submit to the department registration information, including any fees; pledge that it will post this information on its website; and, by not later than January 1, 2023, and January 1 each year thereafter, of the fiscal year in which funds are allocated under this section, submit this information to the department for publication on the department's website.

(B) Pledge that it will not require a payment of any team described in this section, including, but not limited to,
registration fees, if the team does not receive a grant under this section.

(b) By not later than 30 days after applications are opened as described in subdivision (a), close applications under this section.

(c) By not later than 60 days after applications are closed as described in subdivision (b), make all determinations concerning funding under this section.

(d) By not later than July 1, 2023, of the fiscal year in which funds are allocated under this section, and by not later than July 1 each year thereafter, publish a document listing the requirements for becoming an approved program or vendor under subdivision (a).

(3) Except as otherwise provided under this subsection, if funding under this section is insufficient to fulfill all funding requests by qualified applicants under this section, the department shall prorate the total funding allocated under this section equally among all qualified applicants. However, for funding under this section toward grants under subsection (5)(b), in its proration under this subsection, the department shall ensure that each district is paid in an amount equal to the percentage the department would have paid the district in grant funding under subsection (5)(b), but for proration under this subsection, with no district receiving a grant under subsection (5)(b) in an amount that is greater than the district's total accrued costs under subsection (5)(b).

(4) A district, nonpublic school, or intermediate district applying for a grant under this section must submit an application in a form and manner prescribed by the department. To be eligible
for a grant, a district, nonpublic school, or intermediate district must demonstrate in its application that the district, nonpublic school, or intermediate district has established a partnership for the purposes of the robotics program with at least one sponsor, business entity, higher education institution, or technical school, shall submit a spending plan, and shall provide a local in-kind or cash match from other private or local funds of at least 25% of the cost of the robotics program award.

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

(a) Grants to districts, nonpublic schools, or intermediate districts to pay for stipends not to exceed $1,500.00 per building for coaching.

(b) Grants to districts, nonpublic schools, or intermediate districts for event registrations, materials, travel costs, and other expenses associated with the preparation for and attendance at robotics events and competitions. Expenses under this subdivision are allowable for up to 10 teams per building.

(c) Grants to districts, nonpublic schools, or intermediate districts for awards to teams that advance to the next levels of competition as determined by the department. The department shall determine an equal amount per team for those teams that advance.

(6) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue support of programs under this section. The estimated completion date of the work project is September 30, 2024.

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

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

(6) For purposes of this section, an approved program or vendor under this section that provides a program under this section shall not work with the department to set prices or policies for the program.

(7) As used in this section, "current fiscal year" means the fiscal year for which an allocation is made under this section.

Sec. 99s. (1) From state school aid fund money appropriated under section 11, there is allocated for 2022-2023-2023-2024 only an amount not to exceed $7,634,300.00 for Michigan science, technology, engineering, and mathematics (MiSTEM) programs. The MiSTEM network may receive funds from private sources. If the MiSTEM network receives funds from private sources, the MiSTEM network shall expend those funds in alignment with the statewide STEM strategy. Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments, to increase the number of pupils who are college- and career-ready upon high school graduation, and to promote certificate and degree attainment in STEM fields. Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(2) The MiSTEM council annually shall review and make recommendations to the governor, the legislature, and the
department concerning changes to the statewide strategy adopted by
the council for delivering STEM education-related opportunities to
pupils. The MiSTEM council shall use funds received under this
subsection to ensure that its members or their designees are
trained in the Change the Equation STEMworks rating system program
for the purpose of rating STEM programs.

(3) The MiSTEM council shall make specific funding
recommendations for the funds allocated under subsection (4) by
December 15 of each fiscal year. Each specific funding
recommendation must be for a program approved by the MiSTEM
council. All of the following apply:

(a) To be eligible for MiSTEM council approval as described in
this subsection, a program must satisfy all of the following:

(i) Align with this state's academic standards.

(ii) Have STEMworks certification.

(iii) Provide project-based experiential learning, student
programming, or educator professional learning experiences.

(iv) Focus predominantly on classroom-based STEM experiences or
professional learning experiences.

(b) The MiSTEM council shall approve programs that represent
all network regions and include a diverse array of options for
students and educators and at least 1 program in each of the
following areas:

(i) Robotics.

(ii) Computer science or coding.

(iii) Engineering or bioscience.

(c) The MiSTEM council is encouraged to work with the MiSTEM
network to develop locally and regionally developed programs and
professional learning experiences for the programs on the list of
approved programs.

(d) If the MiSTEM council is unable to make specific funding recommendations by December 15 of a fiscal year, the department shall award and distribute the funds allocated under subsection (4) on a competitive grant basis that at least follows the statewide STEM strategy plan and rating system recommended by the MiSTEM council. Each grant must provide STEM education-related opportunities for pupils.

(e) The MiSTEM council shall work with the department of labor and economic opportunity to implement the statewide STEM strategy adopted by the MiSTEM council.

(4) From the state school aid fund money allocated under subsection (1), there is allocated for 2022-2023-2023-2024 an amount not to exceed $3,050,000.00 for the purpose of funding programs under this section for 2022-2023-2023-2024 as recommended by the MiSTEM council.

(5) From the state school aid fund money allocated under subsection (1), there is allocated an amount not to exceed $3,834,300.00 for 2022-2023-2023-2024 to support the activities and programs of the MiSTEM network regions. From the money allocated under this subsection, the department shall award the fiscal agent for each MiSTEM network region $200,000.00 for the base operations of each region. The department shall distribute the remaining funds to each fiscal agent in an equal amount per pupil, based on the number of K to 12 pupils enrolled in districts within each region in the immediately preceding fiscal year.

(6) A MiSTEM network region shall do all of the following:

(a) Collaborate with the career and educational advisory council that is located in the MiSTEM region to develop a regional
strategic plan for STEM education that creates a robust regional
STEM culture, that empowers STEM teachers, that integrates business
and education into the STEM network, and that ensures high-quality
STEM experiences for pupils. At a minimum, a regional STEM
strategic plan should do all of the following:

(i) Identify regional employer need for STEM.

(ii) Identify processes for regional employers and educators to
create guided pathways for STEM careers that include internships or
externships, apprenticeships, and other experiential engagements
for pupils.

(iii) Identify educator professional learning opportunities,
including internships or externships and apprenticeships, that
integrate this state's science standards into high-quality STEM
experiences that engage pupils.

(b) Facilitate regional STEM events such as educator and
employer networking and STEM career fairs to raise STEM awareness.

(c) Contribute to the MiSTEM website and engage in other
MiSTEM network functions to further the mission of STEM in this
state in coordination with the MiSTEM council and the department of
labor and economic opportunity.

(d) Facilitate application and implementation of state and
federal funds under this subsection and any other grants or funds
for the MiSTEM network region.

(e) Work with districts to provide STEM programming and
professional learning.

(f) Coordinate recurring discussions and work with the career
and educational advisory council to ensure that feedback and best
practices are being shared, including funding, program,
professional learning opportunities, and regional strategic plans.
(7) From the state school aid fund money allocated under subsection (1), the department shall distribute for 2022-2023-2023-2024 an amount not to exceed $750,000.00, in a form and manner determined by the department, to those network regions able to further the statewide STEM strategy recommended by the MiSTEM council.

(8) In order to receive state or federal funds under subsection (5) or (7), or to receive funds from private sources as authorized under subsection (1), a grant recipient must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The grant recipient shall reimburse the state for all disallowances found in the audit.

(9) In order to receive state funds under subsection (5) or (7), a grant recipient must provide at least a 10% local match from local public or private resources for the funds received under this subsection.

(10) Not later than July 1 of each fiscal year for which funding is allocated under this section, a MiSTEM network region that receives funds under subsection (5) shall report to the executive director of the MiSTEM network in a form and manner prescribed by the executive director on performance measures developed by the MiSTEM network regions and approved by the executive director. The performance measures must be designed to ensure that the activities of the MiSTEM network are improving student academic outcomes.

(11) Not more than 5% of a MiSTEM network region grant under subsection (5) or (7) may be retained by a fiscal agent for serving as the fiscal agent of a MiSTEM network region.
(12) 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. 2019-3, MCL 125.1998.

(e) "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 $3,000,000.00—$2,000,000.00 for 2023-2024 only 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 help 24 hours a day and 7 days a week from study experts, teachers, and peers on a moderated social networking platform.

(e) Provides an online algebra professional development network for teachers.

(f) Is already provided under a statewide contract in at least 1 other state that has a population of at least 18,000,000 but not more than 19,000,000 according to the most recent decennial census and is offered in that state in partnership with a public university.

(2) The department shall purchase the online algebra tool that was chosen under this section in 2016-2017.

(3) A grantee receiving funding under this section shall comply with the requirements of section 19b.

Sec. 99x. (1) From the federal funding appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed $20,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for, subject to subsection (2), Teach for America to lead and support teacher recruitment, training, development, and retention efforts for high-performing educators in at-risk schools in this state, which includes, but is not limited to, the operation of educator fellowship programs in at least 3 regions in this state, including rural regions; the provision of support to educator-led innovation in this state; and investment in a broad educator workforce campaign to recruit and retain high-performing educators and educator candidates in this state.
(2) Teach for America must have recruited or invested in the retention and development of 100 teachers in this state in fulfilling the purposes under subsection (1) since December 15, 2021 to be eligible for the first $10,000,000.00 of the funding allocated under this section. Teach for America must have recruited or invested in the retention and development of a total of 450 teachers in this state in fulfilling the purposes under subsection (1) since December 15, 2021 to be eligible for the remaining $10,000,000.00 of the funding allocated under this section.

(3) Teach for America shall engage with an external evaluator and produce semi-annual reports to the legislature that provide information concerning the recruitment, development, and retention of high-performing educators that can be scaled or shared with other similar programs.

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

(5) The department shall not make payments under this section on a reimbursement basis.

(6) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue to provide support to Teach for America as prescribed in this section. The estimated completion date of the work project is December 31, 2026.

(7) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts. From the general fund money appropriated under section 11, there is allocated for 2023-2024 only an amount not to
exceed $100.00 to support Teach for America's efforts to recruit, develop, and retain teachers in Michigan. Teach For America shall invest in at least 100 educators in 2023-2024, host a summer development program for teachers in this state, and operate teacher and school leadership fellowship programs, with the goal of retaining highly effective teachers in Title 1 schools based in this state.

Sec. 99cc. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023-2023-2024 only an amount not to exceed $253,000.00 for competitive grants to eligible districts and eligible intermediate districts to provide pupils in grades 9 to 12 with expanded opportunities through programs for work-based learning that are hosted in partnership with NAF. It is the intent of the legislature that the programs described in this subsection increase the number of pupils who are college- and career-ready after high school graduation.

(2) To receive grant funding under this section, a district or intermediate district must apply for the grant in a form and manner prescribed by the department.

(3) A district or intermediate district that meets all of the following is an eligible district or eligible intermediate district under this section:

(a) It has an established partnership with NAF.

(b) As part of its partnership described in subdivision (a), it implements an advisory board that includes at least 1 business entity.

(c) As part of its partnership described in subdivision (a), it implements an advisory board that includes an institution of higher education or a technical school.
(d) In its application described in subsection (2), it submits a spending plan for its intended spending of funding under this section.

(4) The department shall prioritize awarding grant funding under this section to eligible districts and eligible intermediate districts that demonstrate partnership with local businesses that target disciplines that have been identified as critical shortage disciplines by the superintendent of public instruction under section 61 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1361.

(5) The department shall award grant funding under this section as follows:

(a) In an amount not to exceed $12,000.00 to each eligible district or eligible intermediate district to be used for purposes of planning in carrying out the programs described in subsection (1).

(b) An amount not to exceed $3,500.00 to each eligible district or eligible intermediate district to be used toward expenses related to the partnership described in subsection (3)(a).

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

Sec. 99ff. From the general fund money appropriated under section 11, there is allocated an amount not to exceed $100.00 for 2023-2024 only for Junior Achievement to create curricula, educational programs, and professional development for each district, intermediate district, and the Michigan School for the Deaf to support the implementation of the personal finance high school graduation credit requirements under section 1278a of the
revised school code, MCL 380.1278a.

Sec. 99gg. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $6,000,000.00 for 2023-2024 only to districts to develop and implement teacher professional learning programs for computer science and computational thinking courses and content.

(2) Funding received under subsection (1) may be used only for the following purposes:

(a) High-quality professional learning for K to 12 computer science content. The costs associated with professional learning as described in this subdivision include, but are not limited to, travel to workshops. As used in this subdivision, "high-quality profession learning" means learning that is sustained, intensive, collaborative, job embedded, data driven, and classroom focused.

(b) Supports for K to 12 computer science professional learning, including, but not limited to, mentoring and coaching.

(c) Creation of resources to support implementation of professional learning described in subdivisions (a) and (b).

(d) Professional learning offerings that identify strategies to include underrepresented groups.

(e) Participation in the Strategic CSforALL Resource and Implementation Planning Tool (SCRIPT) process with a trained facilitator of this state.

(3) To be eligible to receive funding under this section, a district must apply for funding in a form and manner prescribed by the department. The application must, at a minimum, address how the district will do all of the following:

(a) Reach new and existing teachers with little to no computer science background.
(b) Use research- or evidence-based practices for high-quality professional learning.

(c) Focus the professional learning on the mastery of all areas of computer science standards as approved by the state board of education in 2019.

(d) Reach and support marginalized racial and ethnic groups underrepresented in computer science.

(e) Provide teachers with concrete experience with hands-on, inquiry-based practices.

(f) Accommodate the particular teacher and student needs in each district and school.

(g) Ensure that participating districts shall begin offering the courses or content within the same or next school year after the teacher receives the professional learning.

(h) Commit to completing the SCRIPT process.

(4) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to support computer science implementation. The estimated completion date of the work project is September 30, 2025.

(5) A district that receives funding under this section shall submit a report to the department by June 30 of the fiscal year in which funds under this section are received. The report must include all of the following:

(a) The number of teachers prepared.

(b) Students reached, including the number and percentage of students reached disaggregated by gender, race, ethnicity, and socioeconomic status.
(c) The number and percentage of students with passing AP exam scores for high school AP courses, by gender, race, and ethnicity, once that data is available.

(d) The number of teachers that started implementing computer science compared to the number of prepared teachers that attended professional learning.

(e) The number of elementary students who are provided integrated computer science opportunities.

(f) Progress in building a systematic K to 12 computer science plan using the SCRIPT rubric.

(g) Any agreements to provide preassessments and postassessments of teacher readiness for teaching computational thinking and computer science and any data related to those assessments.

(6) The department shall make the report submitted under subsection (5) publicly available.

Sec. 99hh. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $3,000,000.00 for 2023-2024 only for a district to partner with a nonprofit entity to support student success coach AmeriCorps service members to provide academic interventions in mathematics and English language arts and social-emotional support to K to 12 students enrolled in a community district.

(2) A district that receives funding under this section must use the funds to deploy student success coach AmeriCorps service members to, at a minimum, 8 schools within the district. Student success coaches described in this subsection shall do all of the following:

(a) Provide small-group intervention support in mathematics
and English language arts to at-risk students for 10 months. For purposes of this subdivision, students must be selected based on academic diagnostic data and be placed on a focus list for year-round support.

(b) Provide whole school, whole child support to partner schools in the district.

(c) Provide social-emotional support to a subset of focus-list students for 10 months. For purposes of this subdivision, students must be selected based on district behavior and climate or culture data and placed on a focus list for year-round support.

(d) Provide individualized attendance supports to improve daily attendance rates for 10 months. For purposes of this subdivision, students must be selected based on district attendance data and placed on a focus list for year-round support.

(3) A district receiving funding under this section must provide the following for student success coaches:

(a) Evidence-based training in TRAILS, Mental Health First Aid, Magnetic Reading, LETRS, and other relevant training necessary to implement academic, social, and attendance strategies.

(b) Ongoing career development training and coaching, including support with applying to teacher preparation programs, school social work preparation programs, and guidance counseling preparation programs.

(4) By not later than January 1 of each fiscal year, the center shall prepare a summary report of information provided by each recipient district under this section that includes measurable outcomes based on the objectives described in this section and a summary of compiled data from each recipient district in order to evaluate the effectiveness of the project. The center shall submit
the report to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies.

Sec. 99ii. From the general fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $100.00 to a nonprofit 501(c)(3) corporation that was founded prior to 1997, that began operating in this state after 2009, that provides low-income schools with year-round support services and conducts professional development workshops for schools and youth organizations, and that is located in a city with a population greater than 600,000 to expand current programming.

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, including identification of tuition-paying pupils, in the district as of the pupil membership count day and as of the supplemental count day, as applicable, for the current school year. In addition, a district maintaining school during the entire year 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 in the district for the current school year pursuant to rules promulgated by the superintendent. Not later than the sixth Wednesday after the pupil membership count day and not later than the sixth Wednesday after the supplemental count day, the district shall resolve any pupil membership conflicts with another district, correct any data
issues, and recertify the data in a form and manner prescribed by
the center and file the certified data with the intermediate
superintendent. If a district fails to submit and certify the
attendance data, as required under this subsection, the center
shall notify the department and the department shall withhold state
aid due to be distributed under this article from the defaulting
district immediately, beginning with the next payment after the
failure and continuing with each payment until the district
complies with this subsection. If a district does not comply with
this subsection by the end of the fiscal year, the district
forfeits the amount withheld. A person who willfully falsifies a
figure or statement in the certified and sworn copy of enrollment
is subject to penalty as prescribed by section 161.

(2) To be eligible to receive state aid under this article,
not later than the twenty-fourth Wednesday after the pupil
membership count day and not later than the twenty-fourth Wednesday
after the supplemental count day, an intermediate district shall
submit to the center, in a form and manner prescribed by the
center, the audited enrollment and attendance data as described in
subsection (1) for the pupils of its constituent districts and of
the intermediate district. If an intermediate district fails to
submit the audited data as required under this subsection, the
department shall withhold state aid due to be distributed under
this article from the defaulting intermediate district immediately,
beginning with the next payment after the failure and continuing
with each payment until the intermediate district complies with
this subsection. If an intermediate district does not comply with
this subsection by the end of the fiscal year, the intermediate
district forfeits the amount withheld.
(3) Except as otherwise provided in subsections (11) and (12) all of the following apply to the provision of pupil instruction:

(a) Except as otherwise provided in this section, each district shall provide at least 1,098 hours and 180 days of pupil instruction. If a collective bargaining agreement that provides a complete school calendar was in effect for employees of a district as of June 24, 2014, and if that school calendar is not in compliance with this subdivision, then this subdivision does not apply to that district until after the expiration of that collective bargaining agreement. A district may apply for a waiver under subsection (9) from the requirements of this subdivision.

(b) Except as otherwise provided in this article, a district failing to comply with the required minimum hours and days of pupil instruction under this subsection forfeits from its total state aid allocation an amount determined by applying a ratio of the number of hours or days the district was in noncompliance in relation to the required minimum number of hours and days under this subsection. Not later than the first business day in August, the board of each district shall either certify to the department that the district was in full compliance with this section regarding the number of hours and days of pupil instruction in the previous school year, or report to the department, in a form and manner prescribed by the center, each instance of noncompliance. If the district did not provide at least the required minimum number of hours and days of pupil instruction under this subsection, the department shall make the deduction of state aid in the following fiscal year from the first payment of state school aid. A district is not subject to forfeiture of funds under this subsection for a fiscal year in which a forfeiture was already imposed under
subsection (6).

(c) Hours or days lost because of strikes or teachers' conferences are not counted as hours or days of pupil instruction.

(d) Except as otherwise provided in subdivisions (e) and (f), if a district does not have at least 75% of the district's membership in attendance on any day of pupil instruction, the department shall pay the district state aid in that proportion of 1/180 that the actual percent of attendance bears to 75%.

(e) If a district adds 1 or more days of pupil instruction to the end of its instructional calendar for a school year to comply with subdivision (a) because the district otherwise would fail to provide the required minimum number of days of pupil instruction even after the operation of subsection (4) due to conditions not within the control of school authorities, then subdivision (d) does not apply for any day of pupil instruction that is added to the end of the instructional calendar. Instead, for any of those days, if the district does not have at least 60% of the district's membership in attendance on that day, the department shall pay the district state aid in that proportion of 1/180 that the actual percentage of attendance bears to 60%. For any day of pupil instruction added to the instructional calendar as described in this subdivision, the district shall report to the department the percentage of the district's membership that is in attendance, in the form and manner prescribed by the department.

(f) At the request of a district that operates a department-approved alternative education program and that does not provide instruction for pupils in all of grades K to 12, the superintendent shall grant a waiver from the requirements of subdivision (d). The waiver must provide that an eligible district is subject to the
proration provisions of subdivision (d) only if the district does
not have at least 50% of the district's membership in attendance on
any day of pupil instruction. In order to be eligible for this
waiver, a district must maintain records to substantiate its
compliance with the following requirements:

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

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

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

(g) All of the following apply to a waiver granted under
subdivision (f):

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

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

(iii) A waiver that is not a waiver described in subparagraph
(i) or (ii) is valid for 3 fiscal years, unless it is revoked by the
superintendent, and must be renewed at the end of the 3-year period
to remain in effect.

(h) The superintendent shall promulgate rules for the
implementation of this subsection.

(4) All of the following apply to the counting of days and
hours of pupil instruction under this section:

(a) Except as otherwise provided in this subsection, the first
6 days or the equivalent number of hours for which pupil
instruction is not provided because of conditions not within the
control of school authorities, such as severe storms, fires,
epidemics, utility power unavailability, water or sewer failure, or
health conditions as defined by the city, county, or state health
authorities, are counted as hours and days of pupil instruction.

(b) With the approval of the superintendent of public
instruction, the department shall count as hours and days of pupil
instruction for a fiscal year not more than 3 additional days or
the equivalent number of additional hours for which pupil
instruction is not provided in a district due to unusual and
extenuating occurrences resulting from conditions not within the
control of school authorities such as those conditions described in
this subsection. Subsequent such hours or days are not counted as
hours or days of pupil instruction.

(c) A district that counts hours or days of professional
development for teachers as hours or days of pupil instruction, as
provided under subsection (10), is eligible to have additional
hours or days counted as hours and days of pupil instruction under
subdivision (b) to the same extent as a district that does not
count hours or days of professional development for teachers as
hours or days of pupil instruction.
(d) In deciding whether or not to approve the counting of additional hours or days of pupil instruction under subdivision (b) for a district, the superintendent of public instruction shall not take into account whether or not the district counts hours or days of professional development for teachers as hours or days of pupil instruction, as provided under subsection (10).

(e) Subsequent hours or days beyond those described in subdivisions (a) and (b) are not counted as hours or days of pupil instruction.

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

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

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

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

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

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

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

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

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

(e) In grades 7 through 12, instructional time that is part of a Junior Reserve Officer Training Corps (JROTC) program is considered to be pupil instruction time regardless of whether the instructor is a certificated teacher if all of the following are met:

(i) The instructor has met all of the requirements established by the United States Department of Defense and the applicable branch of the armed services for serving as an instructor in the Junior Reserve Officer Training Corps program.

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

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

(9) Upon application by the district for a particular fiscal year, the superintendent shall waive for a district the minimum
number of hours and days of pupil instruction requirement of
subsection (3) for a department-approved alternative education
program or another innovative program approved by the department,
including a 4-day school week. If a district applies for and
receives a waiver under this subsection and complies with the terms
of the waiver, the district is not subject to forfeiture under this
section for the specific program covered by the waiver. If the
district does not comply with the terms of the waiver, the amount
of the forfeiture is calculated based upon a comparison of the
number of hours and days of pupil instruction actually provided to
the minimum number of hours and days of pupil instruction required
under subsection (3). A district shall report pupils enrolled in a
department-approved alternative education program under this
subsection to the center in a form and manner determined by the
center. All of the following apply to a waiver granted under this
subsection:

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

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

(c) A waiver that is not a waiver described in subdivision (a)
or (b) is valid for 3 fiscal years, unless it is revoked by the
superintendent, and must be renewed at the end of the 3-year period to remain in effect.

(10) A district may count up to 38 hours of professional development for teachers as hours of pupil instruction. All of the following apply to the counting of professional development as pupil instruction under this subsection:

(a) If the professional development exceeds 5 hours in a single day, that day may be counted as a day of pupil instruction.

(b) At least 8 hours of the professional development counted as hours of pupil instruction under this subsection must be recommended by a districtwide professional development advisory committee appointed by the district board. The advisory committee must be composed of teachers employed by the district who represent a variety of grades and subject matter specializations, including special education; nonteaching staff; parents; and administrators. The majority membership of the committee must be composed of teaching staff.

(c) Professional development provided online is allowable and encouraged, as long as the instruction has been approved by the district. The department shall issue a list of approved online professional development providers that must include the Michigan Virtual School.

(d) Professional development may only be counted as hours of pupil instruction under this subsection for the pupils of those teachers scheduled to participate in the professional development.

(e) The professional development must meet all of the following to be counted as pupil instruction under this subsection:

(i) Be aligned to the school or district improvement plan for the school or district in which the professional development is
being provided.

(ii) Be linked to 1 or more criteria in the evaluation tool developed or adopted by the district or intermediate district under section 1249 of the revised school code, MCL 380.1249.

(iii) Has been approved by the department as counting for state continuing education clock hours. The number of hours of professional development counted as hours of pupil instruction under this subsection may not exceed the number of state continuing education clock hours for which the professional development was approved.

(iv) Not more than a combined total of 10 hours of the professional development takes place before the first scheduled day of school for the school year ending in the fiscal year and after the last scheduled day of school for that school year.

(v) Not more than 10 hours of the professional development takes place in a single month.

(vi) At least 75% of teachers scheduled to participate in the professional development are in attendance.

(11) Subsections (3) and (8) do not apply to a school of excellence that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a. Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.

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

(13) At least every 2 years the superintendent shall review the waiver standards set forth in the pupil accounting and auditing manuals to ensure that the waiver standards and waiver process continue to be appropriate and responsive to changing trends in online learning. The superintendent shall solicit and consider input from stakeholders as part of this review.

Sec. 104. (1) In order to receive state aid under this article, a district shall comply with sections 1249, 1278a, 1278b, 1279g, and 1280b of the revised school code, MCL 380.1249, 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed $37,509,400.00 for payments on behalf of districts for costs associated with complying with those provisions of law. In addition, from the federal funds appropriated in section 11, there is allocated for 2022-2023 an amount estimated at $6,250,000.00 funded from DED-OESE, title VI, state assessment funds, and from DED-OSERS, part B of the individuals with disabilities education act, 20 USC 1411 to 1419, plus any carryover federal funds from previous year appropriations, for the purposes of complying with the every student succeeds act, Public Law 114-95.

(2) The results of each test administered as part of the Michigan student test of educational progress (M-STEP), including tests administered to high school students, must include an item analysis that lists all items that are counted for individual pupil scores and the percentage of pupils choosing each possible
response. The department shall work with the center to identify the
number of students enrolled at the time assessments are given by
each district. In calculating the percentage of pupils assessed for
a district's scorecard, the department shall use only the number of
pupils enrolled in the district at the time the district
administers the assessments and shall exclude pupils who enroll in
the district after the district administers the assessments.

(3) The department shall distribute federal funds allocated
under this section in accordance with federal law and with
flexibility provisions outlined in Public Law 107-116, and in the

(4) 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.

(5) Notwithstanding section 17b, the department shall make
payments on behalf of districts, intermediate districts, and other
eligible entities under this section on a schedule determined by
the department.

(6) From the allocation in subsection (1), there is allocated
an amount not to exceed $500,000.00 for 2022-2023-2023-2024 for the
operation of an online reporting tool to provide student-level
assessment data in a secure environment to educators, parents, and
pupils immediately after assessments are scored. The department and
the center shall ensure that any data collected by the online
reporting tool do not provide individually identifiable student
data to the federal government.

(7) 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. 107. (1) From the appropriation in section 11, there is allocated an amount not to exceed $30,000,000.00 for 2022-2023 2023-2024 for adult education programs authorized under this section. Except as otherwise provided under subsections (14) and (15), funds allocated under this section are restricted for adult education programs as authorized under this section only. A recipient of funds under this section shall not use those funds for any other purpose.

(2) To be eligible for funding under this section, an eligible adult education provider shall employ certificated teachers and qualified administrative staff and shall offer continuing education opportunities for teachers to allow them to maintain certification.

(3) To be eligible to be a participant funded under this section, an individual must be enrolled in an adult basic education program, an adult secondary education program, an adult English as a second language program, a high school equivalency test preparation program, or a high school completion program, that meets the requirements of this section, and for which instruction is provided, and the individual must be at least 18 years of age by July 1 of the program year and the individual's graduating class must have graduated.

(4) By April 1 of each fiscal year for which funding is allocated under this section, the intermediate districts within a prosperity region or subregion shall determine which intermediate
The district will serve as the prosperity region's or subregion's fiscal agent for the next fiscal year and shall notify the department in a form and manner determined by the department. The department shall approve or disapprove of the prosperity region's or subregion's selected fiscal agent. From the funds allocated under subsection (1), an amount as determined under this subsection is allocated to each intermediate district serving as a fiscal agent for adult education programs in each of the prosperity regions or subregions identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administration costs for serving as the fiscal agent. The allocation provided to each intermediate district serving as a fiscal agent must be calculated as follows:

(a) Sixty percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals between the ages of 18 and 24 that are not high school graduates that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the American Community Survey (ACS) from the United States Census Bureau.

(b) Thirty-five percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals age 25 or older who are not high school graduates that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the ACS from the United States Census Bureau.

(c) Five percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals age 18 or older who lack basic English language
proficiency that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the ACS from the United States Census Bureau.

(5) To be an eligible fiscal agent, an intermediate district must agree to do the following in a form and manner determined by the department:

(a) Distribute funds to adult education programs in a prosperity region or subregion as described in this section.

(b) Collaborate with the career and educational advisory council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to develop a regional strategy that aligns adult education programs and services into an efficient and effective delivery system for adult education learners, with special consideration for providing contextualized learning and career pathways and addressing barriers to education and employment.

(c) Collaborate with the career and educational advisory council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to create a local process and criteria that will identify eligible adult education providers to receive funds allocated under this section based on location, demand for services, past performance, quality indicators as identified by the department, and cost to provide instructional services. The fiscal agent shall determine all local processes, criteria, and provider determinations. However, the local processes, criteria, and provider services must be approved by the department before funds may be distributed to the fiscal agent.
(d) Provide oversight to its adult education providers throughout the program year to ensure compliance with the requirements of this section.

(e) Report adult education program and participant data and information as prescribed by the department.

(6) An adult basic education program, an adult secondary education program, or an adult English as a second language program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who are determined by a department-approved assessment, in a form and manner prescribed by the department, to be below twelfth grade level in reading or mathematics, or both, or to lack basic English proficiency.

(b) The program tests individuals for eligibility under subdivision (a) before enrollment and upon completion of the program in compliance with the state-approved assessment policy.

(c) A participant in an adult basic education program is eligible for reimbursement until 1 of the following occurs:

(i) The participant's reading and mathematics proficiency are assessed at or above the ninth grade level.

(ii) The participant fails to show progress on 2 successive assessments after having completed at least 450 hours of instruction.

(d) A participant in an adult secondary education program is eligible for reimbursement until 1 of the following occurs:

(i) The participant's reading and mathematics proficiency are assessed above the twelfth grade level.

(ii) The participant fails to show progress on 2 successive assessments after having at least 450 hours of instruction.
(e) A funding recipient enrolling a participant in an English as a second language program is eligible for funding according to subsection (9) until the participant meets 1 of the following:

(i) The participant is assessed as having attained basic English proficiency as determined by a department-approved assessment.

(ii) The participant fails to show progress on 2 successive department-approved assessments after having completed at least 450 hours of instruction. The department shall provide information to a funding recipient regarding appropriate assessment instruments for this program.

(7) A high school equivalency test preparation program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma or a high school equivalency certificate.

(b) The program administers a pre-test approved by the department before enrolling an individual to determine the individual's literacy levels, administers a high school equivalency practice test to determine the individual's potential for success on the high school equivalency test, and administers a post-test upon completion of the program in compliance with the state-approved assessment policy.

(c) A funding recipient receives funding according to subsection (9) for a participant, and a participant may be enrolled in the program until 1 of the following occurs:

(i) The participant achieves a high school equivalency certificate.

(ii) The participant fails to show progress on 2 successive
department-approved assessments used to determine readiness to take
a high school equivalency test after having completed at least 450
hours of instruction.

(8) A high school completion program operated on a year-round
or school year basis may be funded under this section, subject to
all of the following:

(a) The program enrolls adults who do not have a high school
diploma.

(b) The program tests participants described in subdivision
(a) before enrollment and upon completion of the program in
compliance with the state-approved assessment policy.

(c) A funding recipient receives funding according to
subsection (9) for a participant in a course offered under this
subsection until 1 of the following occurs:

(i) The participant passes the course and earns a high school
diploma.

(ii) The participant fails to earn credit in 2 successive
semesters or terms in which the participant is enrolled after
having completed at least 900 hours of instruction.

(9) The department shall make payments to a funding recipient
under this section in accordance with all of the following:

(a) Statewide allocation criteria, including 3-year average
enrollments, census data, and local needs.

(b) Participant completion of the adult basic education
objectives by achieving an educational gain as determined by the
national reporting system levels; for achieving basic English
proficiency, as determined by the department; for achieving a high
school equivalency certificate or passage of 1 or more individual
high school equivalency tests; for attainment of a high school
diploma or passage of a course required for a participant to attain a high school diploma; for enrollment in a postsecondary institution, or for entry into or retention of employment, as applicable.

(c) Participant completion of core indicators as identified in the workforce innovation and opportunity act.

(d) Allowable expenditures.

(10) An individual who is not eligible to be a participant funded under this section may receive adult education services upon the payment of tuition. In addition, an individual who is not eligible to be served in a program under this section due to the program limitations specified in subsection (6), (7), or (8) may continue to receive adult education services in that program upon the payment of tuition. The local or intermediate district conducting the program shall determine the tuition amount.

(11) An individual who is an inmate in a state correctional facility is not counted as a participant under this section.

(12) A funding recipient shall not commingle money received under this section or from another source for adult education purposes with any other funds and shall establish a separate ledger account for funds received under this section. This subsection does not prohibit a district from using general funds of the district to support an adult education or community education program.

(13) A funding recipient receiving funds under this section may establish a sliding scale of tuition rates based upon a participant's family income. A funding recipient may charge a participant tuition to receive adult education services under this section from that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per participant must not
exceed the actual operating cost per participant minus any funds received under this section per participant. A funding recipient may not charge a participant tuition under this section if the participant's income is at or below 200% of the federal poverty guidelines published by the United States Department of Health and Human Services.

(14) In order to receive funds under this section, a funding recipient shall furnish to the department, in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department. In addition, a funding recipient shall agree to pay to a career and technical education program under section 61a the amount of funding received under this section in the proportion of career and technical education coursework used to satisfy adult basic education programming, as billed to the funding recipient by programs operating under section 61a. In addition to the funding allocated under subsection (1), there is allocated for 2022-2023-2023-2024 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 2022-2023-2023-2024
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, and local employers. 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 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.

(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
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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) Except as otherwise provided in this subsection,
participants under subsection (15) must be concurrently enrolled
and actively working toward obtaining a high school diploma or a
high school equivalency certificate. Concurrent enrollment is not
required under this subsection for a participant that was enrolled
in adult education during the same program year and obtained a high
school diploma or a high school equivalency certificate prior to
enrollment in an eligible career and technical skills program under
subsection (15). Up to 15% of adult education participants served
under subsection (15) may already have a high school diploma or a
high school equivalency certificate at the time of enrollment in an
eligible career and technical skills program under subsection (15)
and receive remediation services. It is intended that the cap
described in the immediately preceding sentence is continually
lowered on an annual basis until it eventually is 0%.

(19) The department shall approve at least 3–2 high school
equivalency tests and determine whether a high school equivalency
certificate meets the requisite standards for high school
equivalency in this state.

(20) 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) "Career pathway" means a combination of rigorous and high-
quality education, training, and other services that comply with
all of the following:

(i) Aligns with the skill needs of industries in the economy of
this state or in the regional economy involved.

(ii) Prepares an individual to be successful in any of a full
range of secondary or postsecondary education options, including
apprenticeships registered under the act of August 16, 1937,
commonly referred to as the national apprenticeship act, 29 USC 50
et seq.

(iii) Includes counseling to support an individual in achieving
the individual's education and career goals.

(iv) Includes, as appropriate, education offered concurrently
with and in the same context as workforce preparation activities
and training for a specific occupation or occupational cluster.

(v) Organizes education, training, and other services to meet
the particular needs of an individual in a manner that accelerates
the educational and career advancement of the individual to the
extent practicable.

(vi) Enables an individual to attain a secondary school diploma
or its recognized equivalent, and at least 1 recognized
(vii) Helps an individual enter or advance within a specific occupation or occupational cluster.

(c) "Department" means the department of labor and economic opportunity.

(d) "Eligible adult education provider" means a district, intermediate district, a consortium of districts, a consortium of intermediate districts, or a consortium of districts and intermediate districts that is identified as part of the local process described in subsection (5)(c) and approved by the department.

Sec. 107a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $15,000,000.00 to the department of labor and economic opportunity to create adult education innovation programs. Programs funded under this section are intended to improve enrollment in and completion of adult basic education programs, including, but not limited to, synchronous and asynchronous program delivery methods, wraparound support, alignment between high school completion with postsecondary education, co-locating adult education with Michigan Works! or community colleges, and high-quality professional development.

(2) The department of labor and economic opportunity must award competitive funds under this section to eligible adult education providers, community colleges, and organizations with experience serving adult learners for the purposes described in subsection (1).

(3) Adult education providers must apply for funding in a form and manner determined by the department of labor and economic opportunity.
opportunity. Adult education providers that are not a district, intermediate district, or community college must identify in their application a partnership with a district, intermediate district, or community college to serve as a fiscal agent for funds received under this section.

(4) In a form and manner determined by the department of labor and economic opportunity, for pilot programs funded under this section, each adult education provider must perform a program evaluation, facilitation of communities of practice, and identification of best practices to scale pilot programs statewide. Adult education providers may use up to 5% of the funds received for these purposes.

(5) By not later than September 30 of each fiscal year funds allocated under subsection (1) are spent by adult education providers, the department of labor and economic opportunity must provide a report to the chairs of the house and senate appropriations subcommittees on school aid, to the house and senate fiscal agencies, and to the state budget director indicating how funds received under this section are being spent, and detailing the amounts spent, the services being provided with the funding, adult learners being reached with the funding, outcomes metrics, and recommendations for how programs could be scaled statewide.

(6) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to improve enrollment in and completion of adult basic education programs. The estimated completion date of the work project is September 30, 2026.
shall be the total taxable value of the property contained in the whole or fractional district as last determined by the state tax commission and placed on the ad valorem tax roll. For purposes of computations made under this act, except as provided in section 26, the taxable value of a district or intermediate district shall include the value of property used to calculate the tax imposed on lessees or users of tax-exempt property under 1953 PA 189, MCL 211.181 to 211.182, and the value of property used to calculate the state payment in lieu of taxes on state purchased property under section 2153 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2153. Adjustments to this taxable value shall be made for all of the following:

(a) State tax tribunal decisions.

(b) Court decisions.

(c) Local board of review adjustments made after the state tax commission determination.

(d) Lands deeded to the state for jurisdictions without delinquent tax revolving funds or for jurisdictions that have required repayment to the delinquent tax revolving funds.

(e) The requirements of this act.

(2) Adjustments under subsection (1) shall not be made for more than the 6 state fiscal years immediately preceding the state fiscal year in which the adjustment is made, except that an adjustment pursuant to a state tax tribunal decision or court decision shall be made for the tax years involved in the decision and any subsequent years affected by the decision.

Sec. 147. (1) The allocation for 2022-2023-2023-2024 for the public school employees' retirement system pursuant to the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
to 38.1437, is made using the individual projected benefit entry
age normal cost method of valuation and risk assumptions adopted by
the public school employees retirement board and the department of
technology, management, and budget.

(2) The annual level percentage of payroll contribution rates
for the 2022-2023, 2023-2024 fiscal year, as determined by the
retirement system, are estimated as follows:

(a) For public school employees who first worked for a public
school reporting unit before July 1, 2010 and who are enrolled in
the health premium subsidy, the annual level percentage of payroll
contribution rate is estimated at 44.88% - 48.23% with 28.23% - 31.34%
paid directly by the employer.

(b) For public school employees who first worked for a public
school reporting unit on or after July 1, 2010 and who are enrolled
in the health premium subsidy, the annual level percentage of
payroll contribution rate is estimated at 41.96% - 44.37% with 25.31%
27.48% paid directly by the employer.

(c) For public school employees who first worked for a public
school reporting unit on or after July 1, 2010 and who participate
in the personal healthcare fund, the annual level percentage of
payroll contribution rate is estimated at 41.10% - 43.12% with 24.45%
26.23% paid directly by the employer.

(d) For public school employees who first worked for a public
school reporting unit on or after September 4, 2012, who elect
defined contribution, and who participate in the personal
healthcare fund, the annual level percentage of payroll
contribution rate is estimated at 37.61% - 37.85% with 20.96% paid
directly by the employer.

(e) For public school employees who first worked for a public
school reporting unit before July 1, 2010, who elect defined
contribution, and who are enrolled in the health premium subsidy,
the annual level percentage of payroll contribution rate is
estimated at 38.47%–39.10% with 21.82%–22.21% paid directly by the
employer.

(f) For public school employees who first worked for a public
school reporting unit before July 1, 2010, who elect defined
contribution, and who participate in the personal healthcare fund,
the annual level percentage of payroll contribution rate is
estimated at 37.61%–37.85% with 20.96% paid directly by the
employer.

(g) For public school employees who first worked for a public
school reporting unit before July 1, 2010 and who participate in
the personal healthcare fund, the annual level percentage of
payroll contribution rate is estimated at 44.02%–46.98% with 27.37%
30.09% paid directly by the employer.

(h) For public school employees who first worked for a public
school reporting unit after January 31, 2018 and who elect to
become members of the MPSERS plan, the annual level percentage of
payroll contribution rate is estimated at 43.81%–44.05% with 27.16%
paid directly by the employer.

(3) In addition to the employer payments described in
subsection (2), the employer shall pay the applicable contributions
to the Tier 2 plan, as determined by the public school employees
retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(4) The contribution rates in subsection (2) reflect an
amortization period of 16-15 years for 2022-2023-2023-2024. The
public school employees' retirement system board shall notify each
district and intermediate district by February 28 of each fiscal
Sec. 147a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2021-2022 an amount not to exceed $100,000,000.00 and for 2022-2023 an amount not to exceed $100,000,000.00 for payments to participating districts. A participating district that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the district for the fiscal year in which it is received. The amount allocated to each participating district under this subsection is based on each participating district's percentage of the total statewide payroll for all participating districts for the immediately preceding fiscal year. As used in this subsection, "participating district" means a district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(2) In addition to the allocation under subsection (1), from the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed $197,000,000.00 for 2021-2022 and an amount not to exceed $357,700,000.00 for 2022-2023-2024 for payments to participating districts and intermediate districts and from the general fund money appropriated under section 11, there is allocated an amount not to exceed $60,000.00-$100,000.00 for 2021-2022 and an amount not to exceed $50,000.00 for 2022-2023-2024 for payments to participating district libraries. The amount
allocated to each participating entity under this subsection is based on each participating entity's reported quarterly payroll for members that became tier 1 prior to February 1, 2018 for the current fiscal year. A participating entity that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the normal cost contribution rate. As used in this subsection:

(a) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(b) "Participating entity" means a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(3) In addition to the allocations under subsections (1) and (2), from the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed $23,878,000.00 for payments to participating intermediate districts and participating district libraries. The payments described in this subsection must be made over a 2-year period. A participating intermediate district or participating district library shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the participating intermediate district or participating district library for the fiscal year in which it is received. The amount allocated to each participating intermediate district or participating district library under this
subsection is calculated as follows for each fiscal year:

(a) For each participating intermediate district, $11,912,000.00 multiplied by each participating intermediate district's percentage of the total statewide payroll for all participating intermediate districts.

(b) For each participating district library, $27,000.00 multiplied by each participating district library's percentage of the total statewide payroll for all participating district libraries.

(4) The funds allocated under subsection (3) for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue payments to participating intermediate districts and participating district libraries. The estimated completion date of the work project is September 30, 2025.

(5) As used in subsections (3) and (4):

(a) "Participating district library" means a 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.

(b) "Participating intermediate district" means an intermediate district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.
fund is created as a separate account within the state school aid
fund.

(2) The state treasurer may receive money or other assets from
any source for deposit into the MPSERS retirement obligation reform
reserve fund. The state treasurer shall direct the investment of
the MPSERS retirement obligation reform reserve fund. The state
treasurer shall credit to the MPSERS retirement obligation reform
reserve fund interest and earnings from the MPSERS retirement
obligation reform reserve fund.

(3) Money available in the MPSERS retirement obligation reform
reserve fund must not be expended without a specific appropriation.

(4) Money in the MPSERS retirement obligation reform reserve
fund at the close of the fiscal year remains in the MPSERS
retirement obligation reform reserve fund and does not lapse to the
state school aid fund or to the general fund. The department of
treasury is the administrator of the MPSERS retirement obligation
reform reserve fund for auditing purposes.

(5) For 2022-2023, $425,000,000.00-$925,000,000.00 from the
state school aid fund is deposited into the MPSERS retirement
obligation reform reserve fund. It is the intent of the legislature
that $425,000,000.00 of the funds deposited under this subsection
are used to offset costs associated with accelerating the reduction
of the payroll growth assumption for reporting units that are not
university reporting units until that rate is zero by October 1,
2026.

Sec. 147c. (1) From the state school aid fund money
appropriated in section 11, there is allocated for 2022-2023-2023-
2024 an amount not to exceed $1,478,000,000.00, $1,647,200,000.00
and from the MPSERS retirement obligation reform reserve fund money
appropriated in section 11, there is allocated for 2022-2023-2024 only an amount needed, estimated at $140,400,000.00.

$202,000,000.00, for payments to districts and intermediate districts that are participating entities of the Michigan public school employees' retirement system. In addition, from the general fund money appropriated in section 11, there is allocated for 2022-2023-2024 an amount not to exceed $500,000.00 for payments to district libraries that are participating entities of the Michigan public school employees' retirement system. It is the intent of the legislature that money allocated from the MPSERS retirement obligation reform reserve fund under this subsection for 2022-2023-2024 represents the amount necessary to reduce the payroll growth assumption to 1.75%-0.75%. All of the following apply to funding under this subsection:

(a) Except as otherwise provided in this subdivision, for 2022-2023-2023-2024, the amounts allocated under this subsection are estimated to provide an average MPSERS rate cap per pupil amount of $1,042.00-$1,157.00 and are estimated to provide a rate cap per pupil for districts ranging between $5.00-$4.00 and $3,700.00. For 2022-2023, if the retirement system determines the average MPSERS rate cap per pupil amount and rate cap per pupil for districts estimated in the immediately preceding sentence need to be adjusted, the estimated average MPSERS rate cap per pupil amount and estimated rate cap per pupil for districts under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.$5,020.00.
(b) Payments made under this subsection are equal to the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(c) The amount allocated to each participating entity under this subsection is based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year for the same type of participating entities. A participating entity that receives funds under this subsection shall use the funds solely for the purpose of retirement contributions as specified in subdivision (d).

(d) Each participating entity receiving funds under this subsection shall forward an amount equal to the amount allocated under subdivision (c) to the retirement system in a form, manner, and time frame determined by the retirement system.

(e) Funds allocated under this subsection should be considered when comparing a district's growth in total state aid funding from 1 fiscal year to the next.

(f) Not later than December 20 of each fiscal year for which funding is allocated under this subsection, the department shall publish and post on its website an estimated MPSERS rate cap per pupil for each district.

(g) The office of retirement services shall first apply funds allocated under this subsection to pension contributions and, if
any funds remain after that payment, shall apply those remaining funds to other postemployment benefit contributions.

(2) In addition to the funds allocated under subsection (1), from the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only $1,000,000,000.00 for payments to participating entities of the Michigan public school employees' retirement system. The amount allocated to each participating entity under this subsection must be based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year. A participating entity that receives funds under this subsection shall use the funds solely for purposes of this subsection. Each participating entity receiving funds under this subsection shall forward an amount equal to the amount allocated under this subsection to the retirement system in a form, manner, and time frame determined by the retirement system. The retirement system shall recognize funds received under this subsection as additional assets being contributed to the system and shall not categorize them as unfunded actuarial liability contributions or normal cost contributions. In addition to the funds allocated under subsection (1), from the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only $97,000,000.00 for payments to districts and intermediate districts that are participating entities of the Michigan public school employees' retirement system. The amount allocated to each participating entity under this subsection must be based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year.

(3) As used in this section:

(a) "Community college" means a community college created
under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195.

(b) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(c) "MPSERS rate cap per pupil" means an amount equal to the quotient of the district's payment under this section divided by the district's pupils in membership.

(d) "Participating entity" means:

(i) As used in subsection (1) only, a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(ii) As used in subsection (2) only, a district, intermediate district, community college, 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.

(e) "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 state school aid fund money appropriated in section 11, there is allocated for 2021-2022-2023-2024 an amount not to exceed $50,000,000.00 and there is allocated
for 2022-2023 an amount not to exceed $54,000,000.00. $82,400,000.00
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
February 1, 2018, not to exceed 1%, of the qualified participant's
compensation.

(c) An amount equal to the increase in employer normal cost
contributions under section 41b(2) of the public school employees
retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
that was hired after February 1, 2018 and chose to participate in
Tier 1, compared to the employer normal cost contribution for a
member under section 41b(1) of the public school employees
retirement act of 1979, 1980 PA 300, MCL 38.1341b.

(3) As used in this section:

(a) "Member" means that term as defined under the public
school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
to 38.1437.
(b) "Participating entity" means a district, intermediate
district, or community college 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.

c) "Qualified participant" means that term as defined under
section 124 of the public school employees retirement act of 1979,
1980 PA 300, MCL 38.1424.

Sec. 152

a. (1) As required by the court in the consolidated
cases known as Adair v State of Michigan, 486 Mich 468 (2010), from
the state school aid fund money appropriated in section 11, there
is allocated for 2022-2023-2023-2024 an amount not to exceed
$38,000,500.00-$42,300,500.00 to be used solely for the purpose of
paying necessary costs related to the state-mandated collection,
maintenance, and reporting of data to this state. From this
allocation, $1,300,000.00 is allocated for the purpose of
supporting the Michigan data hub network and the collection,
aggregation, and reporting of data collected by the state, and
$3,000,000.00 is allocated for costs associated with collecting
data necessary to provide reporting to tribal governments on the
status of students affiliated with their particular tribe and data
necessary to determine student participation in federal programs
funded under 20 USC 7401 to 7546 and participation in federal
programs funded under the Johnson-O'Malley Supplemental Indian
Education Program Modernization Act, Public Law 115-404.

(2) From the allocation in subsection (1), the department
shall make payments of the $1,300,000.00 allocated for supporting
the Michigan data hub network in the same manner as under section 22m(2) and shall make the remaining payments to districts and intermediate districts in an equal amount per pupil based on the total number of pupils in membership in each district and intermediate district. The department shall not make any adjustment to these payments after the final installment payment under section 17b is made.

Sec. 163. (1) Except as otherwise provided in the revised school code, the board of a district or intermediate district shall not permit any of the following:

(a) An individual who is not appropriately placed under a valid certificate, valid substitute permit, authorization, or approval issued under rules promulgated by the department to teach in an elementary or secondary school.

(b) An individual who does not satisfy the requirements of section 1233 of the revised school code, MCL 380.1233, and rules promulgated by the department to provide school counselor services to pupils in an elementary or secondary school.

(c) An individual who does not satisfy the requirements of section 1246 of the revised school code, MCL 380.1246, or who is not and rules promulgated by the department to be employed as a superintendent, principal, or assistant principal, or as an individual whose primary responsibility is to administer instructional programs in an elementary or secondary school or in a district or intermediate district, unless the individual is working under a valid substitute permit issued under rules promulgated by the department, to be employed as a superintendent, principal, or assistant principal, or as an individual whose primary responsibility is to administer instructional programs in an
elementary or secondary school or in a district or intermediate
district.

(2) Except as otherwise provided in the revised school code,
this subsection, or subsection (4) or (7), a district or
intermediate district employing an individual in violation of this
section before July 1, 2021 must have deducted an amount equal to
the amount paid to the individual for the period of employment that
is in violation of this section. Except as otherwise provided under
subsection (4) or (7), a district or intermediate district
employing an individual in violation of this section on or after
July 1, 2021 must have deducted an amount equal to 50% of the
amount paid to the individual for the period of employment that is
in violation of this section. Except as otherwise provided under
subsection (4), beginning July 1, 2021, if a district or
intermediate district is notified by the department that it is
employing an individual in violation of this section and it
continues to employ the individual in violation of this section 10
business days after receiving the notification, both of the
following apply:

(a) The district or intermediate district must have deducted
an amount equal to 50% of the amount paid to the individual for the
period of employment that is in violation of this section that
occurs before the expiration of the 10-day period described in this
subsection.

(b) The district or intermediate district must have deducted
an amount equal to 100% of the amount paid to the individual for
the period of employment that is in violation of this section that
occurs after the 10-day period described in this subsection.

(3) For purposes of subsection (2), if a district or
intermediate district on behalf of an individual or an individual
successfully completes the credential application process through
the department, including the submission of an appropriate
application, required fees, and all required supporting
documentation, the individual's employment with the district or
intermediate district after this completion is not considered a
period of employment that is in violation of this section.

(4) A deduction under subsection (2) for employment in
violation of this section that occurs on or after July 1, 2021, may
be less than the amount required under that subsection if the
superintendent of public instruction finds that the district or
intermediate district was hindered in its ability to obtain a
substitute credential to enable the district or intermediate
district to employ the individual in compliance with this section
due to unusual and extenuating circumstances resulting from
conditions not within the control of school authorities, including,
but not limited to, a natural disaster, death or serious illness of
the individual or another employee, an emergency school closure,
fraud or other intentional wrongdoing of the individual or another
employee, or an emergency health condition as defined by city,
county, or state health authorities.

(5) For employment of an individual in violation of this
section that occurs on or after July 1, 2021, upon request by a
district or intermediate district, the department shall credit the
amount of an adjustment in payments under section 15 that is based
on the employment of the individual that gave rise to the deduction
under subsection (2) or (4) against the amount of the deduction
under subsection (2) or (4). The amount of the credit under this
subsection must not be in an amount that is greater than the
(6) If a school official is notified by the department that he or she is employing an individual in violation of this section and knowingly continues to employ that individual, the school official is guilty of a misdemeanor punishable by a fine of $1,500.00 for each incident. This penalty is in addition to all other financial penalties otherwise specified in this article.

(7) There must be no deduction under subsection (2) for a period of employment in violation of this section that occurs between July 1, 2020 and June 30, 2021.

Sec. 164i. (1) No money appropriated under this act must be used for any of the following:

(a) The restriction of or interference with actions related to diversity, equity, and inclusion.

(b) The restriction or impeding of a marginalized community's access to government resources, programs, or facilities.

(c) The diminishment of, interference with, or restriction of an individual's ability to exercise the right to reproductive freedom.

(2) From the funds appropriated in this act, districts, intermediate districts, and public institutions of higher education shall report to the department any action or policy that attempts to restrict or interfere with the duties of local health officers.

(3) As used in this section, "local health officer" means that term as defined in section 1105 of the public health code, 1978 PA 368, MCL 333.1105.

Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I of the state school aid act of 1979,
1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2022 PA 144, 2022 PA 212, 2023 PA 3, and by this amendatory act, from state sources for fiscal year 2022-2023 is estimated at $18,074,715,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $16,479,068,400.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by this amendatory act, from state sources for fiscal year 2023-2024 is estimated at $19,252,284,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,612,963,800.00.

Enacting section 2. Sections 11w, 11y, 20f, 23f, 27b, 27f, 30c, 31c, 31m, 31o, 31p, 31q, 31bb, 31cc, 31dd, 31ee, 32u, 35f, 35g, 35h, 55, 61i, 67a, 67c, 67d, 67e, 95b, 97b, 97c, 97d, 97e, 97f, 98a, 98b, 98c, 99i, 99j, 99u, 99aa, 99dd, 99ee, 104f, 104h, 152b, 164g, 164h, 166, 166a of the state school aid act of 1979, 1979 PA 94, MCL 388.1611w, 388.1611y, 388.1620f, 388.1623f, 388.1627b, 388.1627f, 388.1630c, 388.1631c, 388.1631m, 388.1631o, 388.1631p, 388.1631q, 388.1631bb, 388.1631cc, 388.1631dd, 388.1631ee, 388.1632u, 388.1635f, 388.1635g, 388.1635h, 388.1655, 388.1661i, 388.1667a, 388.1667c, 388.1667d, 388.1667e, 388.1695b, 388.1697b, 388.1697c, 388.1697d, 388.1697e, 388.1697f, 388.1698a, 388.1698b, 388.1698c, 388.1699i, 388.1699j, 388.1699u, 388.1699aa, 388.1699dd, 388.1699ee, 388.1704f, 388.1704h, 388.1752b, 388.1764g, 388.1764h, 388.1766, and 388.1766a, are repealed effective October 1, 2023.

Enacting section 3. (1) Sections 11m, 11w, 11x, 22a, 22b, 26c,
27b, 27d, 31d, 31o, 31p, 32d, 39a, 51a, 51c, 51e, 56, 62, 104i,
121, 147b of the state school aid act of 1979, 1979 PA 94, MCL
388.1611m, 388.1611w, 388.1611x, 388.1622a, 388.1622b, 388.1626c,
388.1627b, 388.1627d, 388.1631d, 388.1631o, 388.1631p, 388.1632d,
388.1639a, 388.1651a, 388.1651c, 388.1651e, 388.1656, 388.1662,
388.1704i, 388.1721, and 388.1747b as amended and sections 11v,
12a, 23g, 27g, 30d, 30e, 31k of the state school aid act of 1979,
1979 PA 94, as added by this amendatory act, if granted immediate
effect pursuant to section 27 of article IV of the state
constitution of 1963, take effect on enactment of this amendatory
act.
(2) Except as otherwise provided for those sections listed in
subsection (1), the remaining sections of this amendatory act take
effect October 1, 2023.