THE STATE SCHOOL AID ACT OF 1979

Act 94 of 1979

AN ACT to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2011, Act 62, Imd. Eff. June 21, 2011

Compiler's Notes: Sec. 42, as added by Act 207 of 1990, was vetoed by the governor on July 27, 1990.Secs. 43, 92, and 111a, as added by Act 118 of 1991, were vetoed by the governor on October 11, 1991.Sec. 71a, as added by Act 283 of 1994, was vetoed by the governor on July 9, 1994.Secs. 20h, 28b, 56a, and 94a, as added by Act 130 of 1995, were vetoed by the governor on June 30, 1995.Secs. 29 and 95a, as added by Act 300 of 1996, were vetoed by the governor on June 19, 1996.Sec. 11e, as added by Act 372 of 1996, was vetoed by the governor July 3, 1996.Sec. 11j, Sec. 11k, and Sec. 31b, as added by Act 339 of 1998, were vetoed by the governor on October 13, 1998.Secs. 20k and 34, as added by Act 119 of 1999, were vetoed by the governor on July 19, 1999. Secs. 11j and 11l, as added by Act 297 of 2000, were vetoed by the governor on June 26, 2000.Secs. 22d, 22e, and 55a, as added by Act 158 of 2003, were vetoed by the governor on August 11, 2003.Sec. 77, as added by Act 137 of 2007, was vetoed by the governor on November 8, 2007.Secs. 20j, 32c, 57, and 99p, as amended by Act 121 of 2009, were vetoed by the governor on October 19, 2009.Secs. 20j, 32c, and 99p, as amended by Act 110 of 2010, and sec. 92, as added by Act 110 of 2010, were vetoed by the governor on July 7, 2010.Secs. 22d, 25f, 25g, 31b, 31j, 35b, 35d, 55, 61c,61f, 64d, 95b, 99t, 99u, 99v, 99w, 99x, 102d, 104d, and 152b as amended by Act 58 of 2019, and sections 35c, 54e, 67a, 67b, 97, 97a, 99z, and 99bb as added by Act 58 of 2019, were vetoed by the governor on September 30, 2019.Sec. 252, as amended by Act 62 of 2019, was vetoed by the governor on September 30, 2019.Sec. 152b, as amended by Act 165 of 2020, was vetoed by the governor on September 30, 2020.Secs. 11o and 23d, as added by Act 3 of 2021, were vetoed by the governor on March 9, 2021.Secs. 34a and 78, as added by Act 48 of 2021, were vetoed by the governor on July 13, 2021.Secs. 226f and 275j, as added by Act 86 of 2021, were vetoed by the governor on September 29, 2021.Secs. 226f, 274a, and 275k as added by Act 144 of 2022, were vetoed by the governor on July 14, 2022.

The People of the State of Michigan enact:

ARTICLE I
STATE AID TO PUBLIC SCHOOLS, EARLY CHILDHOOD, AND ADULT EDUCATION

388.1601 Short title.

Sec. 1.

This act shall be known and may be cited as "the state school aid act of 1979".

History: 1979, Act 94, Eff. Oct. 1, 1979

Compiler's Notes: For creation of Michigan public educational facilities authority within department of

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treasury; transfer of certain powers and duties from Michigan strategic fund and Michigan strategic fund board of directors to Michigan public educational facilities authority and Michigan public educational facilities authority board of trustees; transfer of certain powers and duties of Michigan municipal bond authority and Michigan municipal bond authority board of trustees to Michigan public and educational facilities authority and Michigan public education facilities authority board of trustees, see E.R.O. No. 2002-3, compiled at MCL 12.192 of the Michigan Compiled Laws.

388.1602 Meanings of words and phrases.

Sec. 2.

As used in this article and article IV the words and phrases defined in sections 3 to 6 have the meanings ascribed to them in those sections.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2018, Act 227, Imd. Eff. June 27, 2018 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020

***** 388.1603 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1603.amended *****

388.1603 Definitions; A to D.

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, 11aa, 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

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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.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1988, Act 509, Imd. Eff. Dec. 29, 1988 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1603.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1603.amended Definitions; A to D.

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, 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.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1988, Act 509, Imd. Eff. Dec. 29, 1988 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act

from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

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388.1604 Definitions; E to H.

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.

(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.

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

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

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

(6) "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.

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

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 56, Eff. June 27, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."

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388.1605 Definitions; I.

Sec. 5.

(1) "Intermediate board" means the governing body of an intermediate district.

(2) "Intermediate district" means an intermediate school district established under part 7 of the revised school code.

(3) "Intermediate superintendent" means the superintendent of an intermediate district.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996

***** 388.1606 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1606.amended *****

388.1606 Additional definitions.

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. 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. Except as otherwise provided in this subsection, 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

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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-sub-subparagraph 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

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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) The teacher 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) The teacher is certified for the grade level or is working under a valid substitute permit, authorization, or approval issued by the department.

(3) The teacher 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

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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 the parent or legal guardian 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

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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 the pupil's 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.

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(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, the district may count the pupil in membership on a pro rata basis, 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:

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(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 or based on the number of successfully completed courses by the pupil with each course equivalent to 1/12 of a full-time equated membership. A district may claim more than 1/12 of a full-time equated membership within a month for an enrolled pupil who was in full attendance and successfully completed more than 1 required course. 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) Either of the following is met:

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(A) 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 progress.

(B) For the first 2 months that the pupil participates in the program, the pupil earns 0.25 credit by the end of the second month. A pupil described in this sub-subparagraph may be retroactively reported as being in full attendance for the first month that the pupil participated in the program.

(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 the pupil 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.

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(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 high school 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 transferable college credits or an associate degree at least 1 semester early is considered to have completed the middle college program in fewer than 5 years.

(ll) 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.

(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 the pupil's 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

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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 the pupil 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 the pupil's district of residence who meets 1 or more of the following:

(i) The pupil has been suspended or expelled from the pupil's 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

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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), either of the following:

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

(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) Except as otherwise provided in subdivision (c), 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 on a day of religious or cultural significance, as determined by the district or intermediate district, 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:

(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 either of the following, as applicable:

(i) 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 2024-2025 and 2025-2026 school years.

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(ii) For the 2024-2025 and 2025-2026 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.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1979, Act 112, Imd. Eff. Oct. 4, 1979 ;-- Am. 1979, Act 209, Imd. Eff. Jan. 10, 1980 ;-- Am. 1980, Act 269, Imd. Eff. Sept. 30, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1981, Act 113, Eff. Oct. 1, 1981 ;-- Am. 1981, Act 134, Imd. Eff. Oct. 20, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 218, Imd. Eff. Nov. 16, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1984, Act 253, Imd. Eff. Nov. 29, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1985, Act 144, Imd. Eff. Nov. 4, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1986, Act 298, Imd. Eff. Dec. 22, 1986 ;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318,

Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 95, Imd. Eff. July 13, 1993 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Sept. 1, 1996 ;-- Am. 1997, Act 93, Imd. Eff. Aug. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 227, Imd. Eff. July 21, 2004 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 150, Imd. Eff. Sept. 30, 2005 ;-- Am. 2005, Act 155, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Imd. Eff. Aug. 6, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2009, Act 187, Imd. Eff. Dec. 17, 2009 ;-- Am. 2009, Act 203, Imd. Eff. Jan. 4, 2010 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 199, Imd. Eff. June 26, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2012, Act 465, Imd. Eff. Dec. 28, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 139, Eff. Oct. 7, 2015 ;-- Am. 2015, Act 223, Eff. Mar. 16, 2016 ;-- Am. 2016, Act 56, Eff. June 27, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 185, Eff. Sept. 11, 2018 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 266, Eff. Sept. 26, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 149, Imd. Eff. Aug. 20, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2023, Act 203, Eff. Feb. 13, 2024 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: The school district pupil accounting for distribution of state aid rules referred to in subsection (2) became effective August 17, 1984.Section 2 of Act 220 of 1987 provides: "In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00."Section 4 of Act 220 of 1987 provides: "The changes effected by this amendatory act shall be applied retroactively to October 1, 1987."Subdivisions 4(u), 4(w), and 4(x), as added by Act 300 of 1996, were vetoed by the governor on June 19, 1996.In subsection (4), as amended by Act 93 of 1997, the following sentences were vetoed by the governor on August 1, 1997: "Membership", except as otherwise provided in this act, means for a district, public school academy, university school, or intermediate district the sum of the product of .6 times the 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, plus the product of .4 times the final audited count from the supplemental count day for the immediately preceding school year, 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 state board, and as corrected by a subsequent department audit. The amount of the foundation allowance to be paid on behalf of a pupil in membership is determined under section 20.Subdivisions (4)(x) and (4)(y), as amended by Act 93 of 1997, were vetoed by the governor on August 1, 1997.Subdivision (4)(y), as amended by Act 339 of 1998, was vetoed by the governor on October 13, 1998.In subdivsion (4)(y), as amended by Act 297 of 2000, the phrase "2001-2002, and 2002-2003" was vetoed by the governor July 26, 2000.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1.

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In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00.Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 130 of 2013 provides:"Enacting section 1. This amendatory act takes effect October 1, 2013."Enacting section 1 of Act 139 of 2015 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2015 PA 85 and this amendatory act for fiscal year 2015-2016 is estimated at $12,124,885,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,967,255,600.00."Enacting section 3 of Act 48 of 2021 provides:"Enacting section 3. (1) Except as otherwise provided in subsection (2), this amendatory act takes effect October 1, 2021.(2) Sections 6(8), 6a, 11, 11m, 11n, 11s(3), 22a, 22b, 24, 26c, 29a, 31d, 31f, 39a, 51a, 51c, 51d, 56, 62, 81, 104a, 147a, and 147e of the state school aid act of 1979, 1979 PA 94, MCL 388.1606, 388.1606a, 388.1611, 388.1611m, 388.1611n, 388.1611s, 388.1622a, 388.1622b, 388.1624, 388.1626c, 388.1629a, 388.1631d, 388.1631f, 388.1639a, 388.1651a, 388.1651c, 388.1651d, 388.1656, 388.1662, 388.1681, 388.1704a, 388.1747a, and 388.1747e, as amended and sections 11t, 31p, and 39(9) of the state school aid act of 1979, 1979 PA 94, as added by this amendatory act, take effect upon enactment of this amendatory act."
Admin Rule: R 340.1 et seq. of the Michigan Administrative Code.

***** 388.1606.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1606.amended Additional definitions.

Sec. 6.

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(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. 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. Except as otherwise provided in this subsection, 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.

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(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

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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-sub-subparagraph 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) The teacher 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) The teacher is certified for the grade level or is working under a valid substitute permit, authorization, or approval issued by the department.

(3) The teacher 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

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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 the parent or legal guardian 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 unless the individual is enrolled in a state-approved early middle college and at least 1 college course is transcribed for high school credit each membership count during the individual's fifth year. 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, as repealed by 2004 PA 351, or a jobs program funded under former section 107b, administered by the department of labor and economic

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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 the pupil's 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.

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(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, the district may count the pupil in membership on a pro rata basis, 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) Except for 2026-2027, 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

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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. For 2026-2027 only, every 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 must be 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 or based on the number of successfully completed courses by the pupil, with each successfully completed course equivalent to 1/12 of a full-time equated

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membership. A district may claim more than 1/12 of a full-time equated membership within a month for an enrolled pupil who was in full attendance and successfully completed more than 1 required course. If the special membership counting provisions under this subdivision result in a pupil being counted as more than 1.0 FTE in a fiscal year, the entire FTE amount, including any amount in excess of 1.0 FTE, must be funded under sections 22a and 22b. A district may generate more than 1.0 FTE for a pupil enrolled in a program under section 23a. 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 that 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) Either of the following is met:

(A) 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 progress.

(B) For the first 2 months that the pupil participates in the program, the pupil earns 0.25 credit by the end of the second month. A pupil described in this sub-subparagraph may be retroactively reported as being in full attendance for the first month that the pupil participated in the program.

(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 the pupil 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:

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(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 high school 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 transferable college credits or an associate degree at least 1 semester early is considered to have completed the middle college program in fewer than 5 years.

(ll) 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

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counted in those districts for the fiscal year immediately preceding the consolidation or annexation.

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

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

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

(b) A pupil receiving 1/2 or less of the pupil's 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 750.90g, 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 the pupil 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 the pupil's district of residence who meets 1 or more of the following:

(i) The pupil has been suspended or expelled from the pupil's 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.

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(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), either of the following:

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

(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) Except as otherwise provided in subdivision (c), 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 on a day of religious or cultural significance, as determined by the district or intermediate district, 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

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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:

(a) "Appropriately placed" means holding a valid Michigan educator credential with the required grade range 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 or an individual working under a valid substitute permit, authorization, or approval issued by the department are together and instruction is taking place. If a pupil is assigned to a class or instructional setting for which the individual providing instruction is not appropriately placed, the misplacement is subject to the penalties and remedies provided under section 163.

(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.

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(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.

(21) "Weighted pupil membership" means that term as calculated in this subsection. For the purposes of calculations under this subsection, the base weighted pupil membership for a district is 0. All of the following apply to the weighted pupil membership under this subsection:

(a) For each full-time English language learner counted in membership in a district in the immediately preceding fiscal year, the weighted pupil membership for that district must be increased as follows:

(i) For a full-time equivalent English language learner who was assessed in the immediately preceding fiscal year 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, as applicable to each assessment, an increase of 0.1940. It is intended that the additional weighted pupil membership under this subparagraph be increased annually until it equals 0.75.

(ii) For a full-time equivalent English language learner who was assessed in the immediately preceding fiscal year 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, as applicable to each assessment, an increase of 0.1339. It is intended that the additional weighted pupil membership under this subparagraph be increased annually until it equals 0.50.

(iii) For a full-time equivalent English language learner who was assessed in the immediately preceding fiscal year 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, as applicable to each assessment, an increase of 0.0219. It is intended that the additional weighted pupil membership under this subparagraph be increased annually until it equals 0.35.

(b) For each economically disadvantaged pupil counted in membership in a district, the weighted pupil membership for that district must be increased as follows:

(i) For the purpose of this subparagraph, the department shall determine the number of pupils in membership who are economically disadvantaged as the greatest of the following:

(A) The number of membership pupils in the district 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 immediately preceding fiscal year.

(B) If the district 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, 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 sub-subparagraph applies only to an eligible district for the fiscal year immediately following the first fiscal year in which it is in the community eligibility program. As used in this sub-subparagraph, "identified student percentage" means the quotient of the number of pupils in an eligible district 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 is in the community eligibility program, divided by the total number of pupils

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counted in an eligible district on the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district is in the community eligibility program.

(C) If the district began operations as a district after the pupil membership count day of the current fiscal year, the number of membership pupils in the district 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 who are determined under sub-subparagraph (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 as calculated under sub-subparagraph (A) for the immediately preceding fiscal year caused by an egregious reporting error by the district, the department may choose to have the calculations under sub-subparagraph (A) instead be made using the number of membership pupils in the district 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.

(ii) Each district must be assigned an opportunity index score each fiscal year, the value of which is the quotient of the number of economically disadvantaged pupils as determined under this subdivision for the district and the total number of pupils in the district in the immediately preceding fiscal year, multiplied by 100 and rounded up to the nearest whole number. Each district must be assigned an opportunity index band as follows:

(A) A district with an opportunity index score greater than or equal to 0 but less than 20 must be assigned to band 1 and must receive an additional weighted pupil membership of at least 0.1913 and not more than 0.1965 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 1, multiplied by the band adjustment factor applicable to this subdivision, plus 0.1913 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. It is intended that the additional weighted pupil membership under this sub-subparagraph be increased annually until it reaches between 0.35 and 0.36 per economically disadvantaged pupil.

(B) A district with an opportunity index score greater than or equal to 20 but less than 44 must be assigned to band 2 and must receive an additional weighted pupil membership of at least 0.1968 and not more than 0.2046 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 20, multiplied by the band adjustment factor applicable to this subdivision, plus 0.1968 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. It is intended that the additional weighted pupil membership under this sub-subparagraph be increased annually until it reaches between 0.36 and 0.375 per economically disadvantaged pupil.

(C) A district with an opportunity index score greater than or equal to 44 but less than 59 must be assigned to band 3 and must receive an additional weighted pupil membership of at least 0.2050 and not more than 0.2126 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 44, multiplied by the band adjustment factor applicable to this subdivision, plus 0.2050 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. It is intended that the additional

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weighted pupil membership under this sub-subparagraph be increased annually until it reaches between 0.375 and 0.39 per economically disadvantaged pupil.

(D) A district with an opportunity index score greater than or equal to 59 but less than 73 must be assigned to band 4 and must receive an additional weighted pupil membership of at least 0.2132 and not more than 0.2284 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 59, multiplied by the band adjustment factor applicable to this sub-subparagraph, plus 0.2132 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. It is intended that the additional weighted pupil membership under this sub-subparagraph be increased annually until it reaches between 0.39 and 0.42 per economically disadvantaged pupil.

(E) A district with an opportunity index score greater than or equal to 73 but less than 85 must be assigned to band 5 and must receive an additional weighted pupil membership of at least 0.2296 and not more than 0.2546 for each economically disadvantaged pupil. The additional weighted pupil membership under this sub-subparagraph must be an amount equal to the district's opportunity index score minus 73, multiplied by the band adjustment factor applicable to this sub-subparagraph, plus 0.2296 multiplied by the number of pupils identified as economically disadvantaged under this sub-subparagraph. It is intended that the additional weighted pupil membership under this sub-subparagraph be increased annually until it reaches between 0.42 and 0.47 per economically disadvantaged pupil.

(F) A district with an opportunity index score greater than or equal to 85 must be assigned to band 6 and must receive an additional weighted pupil membership at a rate of 0.2569 for each economically disadvantaged pupil. It is intended that the additional weighted pupil membership under this sub-subparagraph will be increased annually until it reaches 0.47 per economically disadvantaged pupil.

(G) As used in this subparagraph, "band adjustment factor" means an amount equal to the difference between the lowest and highest reimbursement bounds for each band, divided by the number of possible opportunity index scores in that band.

(c) To assist the legislature in determining necessary funding levels to support foundation allowance payments for weighted pupil membership calculated in this subsection, each revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b, must include estimated pupil counts necessary to determine a weighted pupil membership under this subsection for the current and subsequent 2 fiscal years.

(d) As used in this subsection:

(i) "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.

(ii) "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.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1979, Act 112, Imd. Eff. Oct. 4, 1979 ;-- Am. 1979, Act 209, Imd. Eff. Jan. 10, 1980 ;-- Am. 1980, Act 269, Imd. Eff. Sept. 30, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1981, Act 113, Eff. Oct. 1, 1981 ;-- Am. 1981, Act 134, Imd. Eff. Oct. 20, 1981 ;--

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Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 218, Imd. Eff. Nov. 16, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1984, Act 253, Imd. Eff. Nov. 29, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1985, Act 144, Imd. Eff. Nov. 4, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1986, Act 298, Imd. Eff. Dec. 22, 1986 ;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 95, Imd. Eff. July 13, 1993 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Sept. 1, 1996 ;-- Am. 1997, Act 93, Imd. Eff. Aug. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 227, Imd. Eff. July 21, 2004 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 150, Imd. Eff. Sept. 30, 2005 ;-- Am. 2005, Act 155, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Imd. Eff. Aug. 6, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2009, Act 187, Imd. Eff. Dec. 17, 2009 ;-- Am. 2009, Act 203, Imd. Eff. Jan. 4, 2010 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 199, Imd. Eff. June 26, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2012, Act 465, Imd. Eff. Dec. 28, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 139, Eff. Oct. 7, 2015 ;-- Am. 2015, Act 223, Eff. Mar. 16, 2016 ;-- Am. 2016, Act 56, Eff. June 27, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 185, Eff. Sept. 11, 2018 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 266, Eff. Sept. 26, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 149, Imd. Eff. Aug. 20, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2023, Act 203, Eff. Feb. 13, 2024 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: The school district pupil accounting for distribution of state aid rules referred to in subsection (2) became effective August 17, 1984.Section 2 of Act 220 of 1987 provides: "In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00."Section 4 of Act 220 of 1987 provides: "The changes effected by this amendatory act shall be applied retroactively to October 1, 1987."Subdivisions 4(u), 4(w), and 4(x), as added by Act 300 of 1996, were vetoed by the governor on June 19, 1996.In subsection (4), as amended by Act 93 of 1997, the following sentences were vetoed by the governor on August 1, 1997: "Membership", except as otherwise provided in this act, means for a district, public school academy, university school, or intermediate district the sum of the product of .6 times the 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, plus the product of .4 times the final audited count from the supplemental count day for the immediately preceding school year, 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 state board, and as corrected by a subsequent department audit. The amount of the foundation allowance to be paid on behalf of a pupil in membership is determined under section 20.Subdivisions (4)(x) and (4)(y), as amended by Act 93 of 1997, were vetoed by the governor on August 1, 1997.Subdivision (4)(y), as amended by Act 339 of 1998, was vetoed by the governor on October 13, 1998.In subdivsion (4)(y), as amended by Act 297 of 2000, the phrase "2001-2002, and 2002-2003" was vetoed by the governor July 26, 2000.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills

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per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00.Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 130 of 2013 provides:"Enacting section 1. This amendatory act takes effect October 1, 2013."Enacting section 1 of Act 139 of 2015 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2015 PA 85 and this amendatory act for fiscal year 2015-2016 is estimated at $12,124,885,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,967,255,600.00."Enacting section 3 of Act 48 of 2021 provides:"Enacting section 3. (1) Except as otherwise provided in subsection (2), this amendatory act takes effect October 1, 2021.(2) Sections 6(8), 6a, 11, 11m, 11n, 11s(3), 22a, 22b, 24, 26c, 29a, 31d, 31f, 39a, 51a, 51c, 51d, 56, 62, 81, 104a, 147a, and 147e of the state school aid act of 1979, 1979 PA 94, MCL 388.1606, 388.1606a, 388.1611, 388.1611m, 388.1611n, 388.1611s, 388.1622a, 388.1622b, 388.1624, 388.1626c, 388.1629a, 388.1631d, 388.1631f, 388.1639a, 388.1651a, 388.1651c, 388.1651d, 388.1656, 388.1662, 388.1681, 388.1704a, 388.1747a, and 388.1747e, as amended and sections 11t, 31p, and 39(9) of the state school aid act of 1979, 1979 PA 94, as added by this amendatory act, take effect upon enactment of this amendatory act."

Admin Rule: R 340.1 et seq. of the Michigan Administrative Code.

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388.1606a Supplemental pupil count.

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 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 on a day of religious or cultural significance, as determined by the district or intermediate district, 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.

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History: Add. 1993, Act 336, Eff. Mar. 15, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2020, Act 149, Imd. Eff. Aug. 20, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023
Compiler's Notes: This section, as added by Act 336 of 1993, was originally compiled as MCL 388.1606a[1] to distinguish it from a Sec. 6a added by Act 254 of 1992, which pertained to use of alternate pupil membership count day, that was compiled as MCL 388.1606a prior to its repeal by enacting section 3(b) of Act 283 of 1994, Eff. Oct. 1, 1994.Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."

388.1606b Enrollment of nonresident pupil; counting pupil in membership; adjustment of educating district's pupil count.

Sec. 6b.

(1) A district enrolling a nonresident pupil with the approval of the pupil's district of residence may count the pupil in membership in a school year if the approval of the pupil's district of residence is received before the end of that school year.

(2) If the approval described in subsection (1) is received by the educating district at any time before the end of its school year, the department shall adjust the educating district's pupil count for the pupil membership count day or the supplemental count day of that school year, or both as necessary to ensure that the pupil is counted in membership in the educating district for those pupil counts for which the pupil was enrolled and in attendance.

History: Add. 1997, Act 24, Imd. Eff. June 16, 1997
Compiler's Notes: Former MCL 388.1606b, which pertained to administration of alternative education, was repealed by Act 130 of 1995, Eff. Oct. 1, 1995.

388.1606c, 388.1606d Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed sections pertained to alternative education programs and district as authorizing body for public school academy.

388.1607 Expenditures included in costs for school operating purposes.

Sec. 7.

Costs for school operating purposes include all expenditures necessary to carry out the powers and the financial obligations of the district or intermediate district under the revised school code.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2013, Act 97, Eff. Oct. 1, 2013

388.1608 Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to furnishing annual pupil dropout rate.

388.1608a Repealed. 2007, Act 137, Imd. Eff. Nov. 8, 2007.

Compiler's Notes: The repealed section pertained to grades K-3 average pupil count.

388.1608b Public school academy district code; assignment; cyber school assignment requirements.

Sec. 8b.

(1) The department shall work with the center to assign a district code to each public school academy that is authorized under the revised school code and is eligible to receive funding under this article within 30 days after a contract is submitted to the department by the authorizing body of a public school academy.

(2) If the department or the center does not assign a district code to a public school academy within the 30-day period described in subsection (1), the district code to be used by the department to make payments under this article to the newly authorized public school academy is a number that is equivalent to the sum of the last district code assigned to a public school academy located in the same county as the newly authorized public school academy plus 1. However, if there is not an existing public school academy located in the same county as the newly authorized public school academy, then the district code to be used by the department to make payments under this article to the newly authorized public school academy is a 5-digit number that has the county code in which the public school academy is located as its first 2 digits, 9 as its third digit, 0 as its fourth digit, and 1 as its fifth digit. If the number of public school academies in a county grows to exceed 100, the third digit in this 5-digit number is 7 for the public school academies in excess of 100. If the number of public school academies in a county grows to exceed 200, then the third digit in this 5-digit number is 5 for the public school academies in excess of 200.

(3) For each school of excellence that is a cyber school authorized under part 6e of the revised school code, MCL 380.551 to 380.561, and that is eligible to receive funding under this article, all of the following apply:

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(a) The department shall assign a district code that includes as the first 2 digits the county code in which the authorizing body is located.

(b) If the cyber school does not provide instruction at a specific location, all of the following apply:

(i) If the cyber school is authorized by an intermediate district board, the cyber school is assigned to the jurisdiction of that intermediate district.

(ii) If the cyber school is authorized by a district board, the cyber school is assigned to the jurisdiction of the intermediate district in which the district is located.

(iii) If the cyber school is authorized by the board of a community college or governing board of a state public university, the cyber school is assigned to the jurisdiction of the intermediate district in which the administrative office of the cyber school is located.

(c) The intermediate district's jurisdiction to which a cyber school is assigned under this subsection remains the same for as long as that cyber school is in operation unless the cyber school experiences a change in its authorizing body. If a change in the authorizing body of a cyber school described under subdivision (b) occurs, subdivision (b) must be applied to account for the change and the cyber school must be reassigned to the jurisdiction of the applicable intermediate district, as required under subdivision (b).

History: Add. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2007, Act 92, Imd. Eff. Oct. 1, 2007 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019

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388.1608c Cyber schools; pupil participation; tracking attendance not required.

Sec. 8c.

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

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

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

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

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

History: Add. 2022, Act 144, Imd. Eff. July 14, 2022.

388.1609 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to rules.

388.1610 Repealed. 1999, Act 119, Imd. Eff. July 20, 1999.

Compiler's Notes: The repealed section pertained to disposition of funds under MCL 432.201 to 432.216 to separate account.

388.1611 Appropriations.

Sec. 11.

(1) For the fiscal year ending September 30, 2026, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $18,179,025,300.00 from the state school aid fund, the sum of $73,151,100.00 from the general fund, an amount not to exceed $100,000,000.00 from the school consolidation and infrastructure fund created under section 11x, an amount not to exceed $125,000,000.00 from the school transportation fund created under section 22k, an amount not to exceed $71,000,000.00 from the enrollment stabilization fund created under section 29, an amount not to exceed $18,000,000.00 from the great start readiness program reserve fund created under section 32e, an amount not to exceed $30,000,000.00 from the educator fellowship public provider fund created under section 27d, an amount not to exceed $97,037,400.00 from the state school aid pupil support reserve fund created under section 22r, and an amount not to exceed $600,000.00 from the general pupil support reserve fund created under section 22s. For the fiscal year ending September 30, 2027, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $18,856,252,300.00 from the state school aid fund, the sum of $57,984,900.00 from the general fund, an amount not to exceed $125,000,000.00 from the school transportation fund created under section 22k, an amount not to exceed $130,000,000.00 from the enrollment stabilization fund created under section 29, an amount not to exceed $26,300,000.00 from the great start readiness program reserve fund created under section 32e, an amount not to exceed $80,000,000.00 from the educator fellowship public provider fund created under section 27d, an amount not to exceed $7,000,000.00 from the educator fellowship private provider fund created under section 27e, an amount not to exceed $107,037,400.00 from the state school aid pupil support reserve fund created under section 22r, and an amount not to exceed $600,000.00 from the general pupil support reserve fund created under section 22s. In addition, all available federal funds are appropriated as allocated in this article for the fiscal years ending September 30, 2026 and September 30, 2027.

(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.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act

207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Imd. Eff. June 19, 1996 ;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003 ;-- Am. 2003, Act 236, Imd. Eff. Dec. 29, 2003 ;-- Am. 2004, Act 185, Imd. Eff. July 1, 2004 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2004, Act 518, Imd. Eff. Jan. 3, 2005 ;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 92, Imd. Eff. Oct. 1, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2009, Act 203, Imd. Eff. Jan. 4, 2010 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2010, Act 217, Imd. Eff. Dec. 3, 2010 ;-- Am. 2011, Act 62, Imd. Eff. June 21, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2012, Act 465, Imd. Eff. Dec. 28, 2012 ;-- Am. 2013, Act 60, Imd. Eff. June 13, 2013 ;-- Am. 2013, Act 97, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Imd. Eff. June 24, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Imd. Eff. June 17, 2015 ;-- Am. 2015, Act 139, Eff. Oct. 7, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Imd. Eff. Sept. 30, 2020 ;-- Am. 2021, Act 3, Imd. Eff. Mar. 9, 2021 ;-- Am. 2021, Act 47, Imd. Eff. July 7, 2021 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 93, Imd. Eff. June 10, 2022 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2024, Act 148, Eff. Apr. 2, 2025 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

Compiler's Notes: Section 2 of Act 220 of 1987 provides: “In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00.”Section 4 of Act 220 of 1987 provides: “The changes effected by this amendatory act shall be applied retroactively to October 1, 1987.”Enacting section 1 of Act 191 of 2002 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2001 PA 121 and 2000 PA 297 from state sources for fiscal year 2001-2002 is estimated at $11,220,561,700.00 and state appropriations to be paid to local units of government for fiscal year 2001-2002 are estimated at $11,181,789,800.00; and total state spending in this amendatory act and in 2001 PA 121 and 2000 PA 297 from state sources for fiscal year 2002-2003 is estimated at $11,472,054,900.00 and state appropriations to be paid to local units of government for fiscal year 2002-2003 are estimated at $11,420,969,500.00.”Enacting section 1 of Act 521 of 2002 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2002 PA 191, 2001 PA 121, and 2000 PA 297 from state sources for fiscal year 2002-2003 is estimated at $11,490,554,900.00 and state appropriations to be paid to local units of government for fiscal year 2002-2003 are estimated at $11,439,469,500.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2003-2004 is estimated at $11,477,080,900.00 and state appropriations to be paid to local units of government for fiscal year 2003-2004 are estimated at $11,431,369,500.00.”Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per

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cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 236 of 2003 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2003 PA 158 and 2002 PA 521 from state sources for fiscal year 2003-2004 is estimated at $11,290,087,100.00 and state appropriations to be paid to local units of government for fiscal year 2003-2004 are estimated at $11,274,332,800.00."Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 98 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of 2007 PA 6 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2006 PA 342 from state sources for fiscal year 2006-2007 is estimated at $11,596,963,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,492,472,200.00."Enacting section 1 of Act 92 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for the fiscal period beginning October 1, 2007 and ending October 31, 2007 is estimated at $1,052,305,700.00 and state appropriations to be paid to local units of government for the fiscal period beginning October 1, 2007 and ending October 31, 2007 are estimated at $1,044,700,000.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112 of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance

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with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 110 of 2010 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,645,097,700.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,565,511,000.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2010-2011 is estimated at $10,979,765,400.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,854,068,100.00."Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."Enacting section 1 of Act 217 of 2010 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 204, and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00.(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 110, and in 2009 PA 121 from state sources for fiscal year 2009-2010 is estimated at $10,645,097,700.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,562,169,000.00."Enacting section 1 of Act 62 of 2011 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I as amended by this amendatory act and in 2010 PA 217 from state sources for fiscal year 2010-2011 is estimated at $10,775,902,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,673,832,600.00; and total state spending on school aid under article I as amended by this amendatory act from state sources for fiscal year 2011-2012 is estimated at $11,005,741,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2011-2012 are estimated at $10,716,987,100.00. (2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2011-2012 under article II as added by this amendatory act is estimated at $283,880,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2011-2012 is estimated at $283,880,500.00. (3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2011-2012 under article III as added by this amendatory act is estimated at $1,263,952,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2011-2012 is estimated at $0."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."Enacting section 1 of Act 29 of 2012 provides:"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, in this amendatory act, in 2011 PA 299, and in 2011 PA 62 from state sources for fiscal year 2011-2012 is estimated at $11,085,976,000.00 and state appropriations to be paid to local units of government for fiscal year 2011-2012 are estimated at $10,963,019,500.00."Enacting section 1 of Act 201 of 2012 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1896, as amended by this amendatory act and by 2012 PA 29, 2011 PA 62, and 2011 PA 299, total state spending on school aid from state sources for fiscal year 2011-2012 is estimated at $11,088,852,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2011-2012 are

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estimated at $10,839,921,300.00; and total state spending on school aid from state sources for fiscal year 2012-2013 is estimated at $11,243,487,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2012-2013 are estimated at $10,934,991,200.00. (2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2012-2013 under article II is estimated at $294,130,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2012-2013 is estimated at $294,130,500.00. (3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2012-2013 under article III of the state school aid act of 1979, 1979 PA 94, as amended by this amendatory act, is estimated at $1,302,194,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2012-2013 is estimated at $0."Enacting section 1 of Act 465 of 2012 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1896, as amended by this amendatory act and by 2012 PA 201, total state spending on school aid from state sources for fiscal year 2012-2013 is estimated at $11,243,645,600.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2011-2012 are estimated at $10,935,149,700.00."Enacting section 1 of Act 60 of 2013 provides:"Enacting section 1. (1) In accordance with section 30 of article I 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 2012 PA 201, 2012 PA 465, and this amendatory act from state sources for fiscal year 2012-2013 is estimated at $11,211,014,200.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2012-2013 is estimated at $11,032,518,300.00. In accordance with section 30 of article I 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 2013-2014 is estimated at $11,597,382,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2013-2014 are estimated at $11,437,124,700.00. (2) In accordance with section 30 of article I of the state constitution of 1963, total state spending on community colleges under article II as amended by 2012 PA 201 and this amendatory act from state sources for fiscal year 2012-2013 is estimated at $306,630,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2012-2013 is estimated at $306,630,500.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2013-2014 under article II is estimated at $335,977,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2013-2014 is estimated at $335,977,600.00. (3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2013-2014 under article III is estimated at $1,333,547,100.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2013-2014 is estimated at $0.00."Enacting section 1 of Act 97 of 2013 provides:"Enacting section 1. In accordance with section 30 of article I 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 enrolled House Bill No. 4228 of the 97th Legislature and this amendatory act, from state sources for fiscal year 2013-2014 is estimated at $11,602,282,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2013-2014 are estimated at $11,442,024,700.00."Enacting section 1 of Act 116 of 2014 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under 2013 PA 60, 2013 PA 130, and this amendatory act from state sources for fiscal year 2013-2014 is estimated at $11,506,132,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2013-2014 are estimated at $11,343,224,700.00."Enacting section 1 of Act 196 of 2014 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under 2013 PA 60, 2013 PA 130, 2014 PA 116, and this amendatory act from state sources for fiscal year 2013-2014 is estimated at $11,506,132,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2013-2014 are estimated at $11,343,224,700.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article IX as amended by this amendatory act from state sources for fiscal year 2014-2015 is estimated at

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$12,062,162,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2014-2015 are estimated at $11,905,777,600.00. "(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2014-2015 under article II is estimated at $364,724,900.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2014-2015 is estimated at $364,724,900.00. "(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2014-2015 under article III is estimated at $1,419,469,900.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2014-2015 is estimated at $0."Enacting section 1 of Act 5 of 2015 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid in article I under 2014 PA 196 and this amendatory act from state sources for fiscal year 2014-2015 is estimated at $11,878,797,400.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2014-2015 are estimated at $11,720,149,600.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending on community colleges in article II under 2014 PA 196 and this amendatory act from state sources for fiscal year 2014-2015 is estimated at $364,724,900.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2014-2015 is estimated at $364,724,900.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending on higher education in article III under 2014 PA 196 and this amendatory act from state sources for fiscal year 2014-2015 is estimated at $1,419,469,900.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2014-2015 is estimated at $0."Enacting section 1 of Act 85 of 2015 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on school aid for fiscal year 2014-2015 under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2014 PA 196, 2015 PA 5, and this amendatory act, is estimated at $11,865,797,400.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2014-2015 are estimated at $11,714,612,100.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on school aid for fiscal year 2015-2016 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, is estimated at $12,120,560,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,962,930,600.00. "(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2015-2016 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $387,825,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2015-2016 is estimated at $387,825,600.00. "(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2015-2016 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1893, as amended by this amendatory act, is estimated at $1,437,698,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2015-2016 is estimated at $0.00."Enacting section 1 of Act 139 of 2015 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2015 PA 85 and this amendatory act for fiscal year 2015-2016 is estimated at $12,124,885,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,967,255,600.00."Enacting section 1 of Act 249 of 2016 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2015 PA 85, 2015 PA 139, and this amendatory act for fiscal year 2015-2016 is estimated at $11,960,539,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,919,909,800.00. 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 2016-2017 is estimated

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at $12,343,209,400.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2016-2017 are estimated at $12,181,929,700.00. "(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2016-2017 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830a, as amended by this amendatory act, is estimated at $395,925,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2016-2017 is estimated at $395,925,600.00. "(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2016-2017 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1893, as amended by this amendatory act, is estimated at $1,481,114,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2016-2017 is estimated at $0."Enacting section 1 of Act 108 of 2017 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2016 PA 249 and this amendatory act, for fiscal year 2016-2017 is estimated at $12,320,744,400.00, and state appropriations for school aid to be paid to local units of government for fiscal year 2016-2017 are estimated at $12,158,829,600.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources 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, for fiscal year 2017-2018 is estimated at $12,853,230,400.00, and state appropriations for school aid to be paid to local units of government for fiscal year 2017-2018 are estimated at $12,677,072,800.00. "(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2017-2018 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, is estimated at $399,326,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2017-2018 is estimated at $399,326,500.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2017-2018 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at $1,517,698,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2017-2018 is estimated at $0.00."Enacting section 1 of Act 143 of 2017 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2017 PA 108 and this amendatory act for fiscal year 2017-2018 is estimated at $12,857,370,400.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2017-2018 are estimated at $12,679,972,800.00."Enacting section 1 of Act 265 of 2018 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2017 PA 143 and this amendatory act for fiscal year 2017-2018 is estimated at $12,855,727,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2017-2018 are estimated at $12,668,569,700.00. 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 2018-2019 is estimated at $13,040,725,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2018-2019 are estimated at $12,847,081,000.00. "(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2018-2019 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, is estimated at $408,215,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is estimated at $408,215,500.00. "(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2018-2019 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at $1,546,206,200.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is estimated at $0.00."Enacting section 1 of Act 586 of 2018 provides:"Enacting section 1. In accordance with section 30 of article IX of the state

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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 2018 PA 265 and this amendatory act, from state sources for fiscal year 2018-2019 is estimated at $13,098,645,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2018-2019 are estimated at $12,900,901,000.00."Enacting section 1 of Act 58 of 2019 provides:"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 2018 PA 265, 2018 PA 586, and this amendatory act, from state sources for fiscal year 2018-2019 is estimated at $13,065,260,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2018-2019 are estimated at $12,833,016,000.00. 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 2019-2020 is estimated at $13,485,765,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2019-2020 are estimated at $13,244,215,300.00."Enacting section 1 of Act 162 of 2019 provides:"Enacting section 1. (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 2019 PA 58 and this amendatory act, from state sources for fiscal year 2019-2020 is estimated at $13,427,685,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2019-2020 are estimated at $13,221,615,300.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2019-2020 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at $1,557,368,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is estimated at $0.00."Enacting section 1 of Act 146 of 2020 provides:"Enacting section 1. (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 2019 PA 58, 2019 PA 162, and this amendatory act, from state sources for fiscal year 2019-2020 is estimated at $13,051,648,700.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2019-2020 are estimated at $12,845,578,900.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2019-2020 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, is estimated at $378,445,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is estimated at $378,445,600.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2019-2020 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at $1,393,642,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is estimated at $0.00."Enacting section 1 of Act 165 of 2020 provides:"Enacting section 1. (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 2019 PA 58, 2019 PA 162, 2020 PA 146, and this amendatory act, from state sources for fiscal year 2019-2020 is estimated at $13,051,648,700.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2019-2020 are estimated at $12,845,578,900.00. 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 2020 PA 147, 2020 PA 148, 2020 PA 149, and this amendatory act, from state sources for fiscal year 2020-2021 is estimated at $13,718,286,400.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2020-2021 are estimated at $13,546,289,200.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2020-2021 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, is estimated at $425,667,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2020-2021 is estimated at $425,667,600.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2020-2021 under article III of the

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state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at $1,573,899,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2020-2021 is estimated at $0.00."Enacting section 1 of Act 3 of 2021 provides:"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 2020 PA 147, 2020 PA 148, 2020 PA 149, 2020 PA 165, and this amendatory act, from state sources for fiscal year 2020-2021 is estimated at $13,888,484,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2020-2021 are estimated at $13,716,487,100.00."Enacting section 1 of Act 47 of 2021 provides:"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 2020 PA 165, 2021 PA 3, and this amendatory act, from state sources for fiscal year 2020-2021 is estimated at $13,888,484,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2020-2021 are estimated at $13,716,487,100.00."Enacting section 1 of Act 48 of 2021 provides:"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 2020 PA 165, 2021 PA 3, and this amendatory act, from state sources for fiscal year 2020-2021 is estimated at $13,850,072,600.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2020-2021 are estimated at $13,680,775,500.00. 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 2021-2022 is estimated at $14,954,632,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at $14,744,857,700.00."Enacting section 1 of Act 93 of 2022 provides:"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 2021 PA 48 and this amendatory act, from state sources for fiscal year 2021-2022 is estimated at $14,990,960,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at $13,789,448,200.00."Enacting section 1 of Act 144 of 2022 provides:"Enacting section 1. (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 2021 PA 48, 2022 PA 93, and this amendatory act, from state sources for fiscal year 2021-2022 is estimated at $14,635,534,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at $13,448,739,600.00. 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 2022-2023 is estimated at $17,078,472,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $15,764,187,600.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2022-2023 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $449,058,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $449,058,000.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2021-2022 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2021 PA 86 and this amendatory act, is estimated at $1,979,224,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $1,893,609,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 212 of 2022 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of

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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 2021 PA 48, 2022 PA 93, 2022 PA 144, and this amendatory act, from state sources for fiscal year 2021-2022 is estimated at $14,635,534,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at $13,448,739,600.00. 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 2022 PA 144 and this amendatory act, from state sources for fiscal year 2022-2023 is estimated at $17,090,672,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $15,764,187,600.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2022 PA 144 and this amendatory act, is estimated at $1,888,109,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 3 of 2023 provides:"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 2021 PA 48, 2022 PA 93, 2022 PA 144, 2022 PA 212, and this amendatory act, from state sources for fiscal year 2021-2022 is estimated at $14,681,134,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at $13,494,339,600.00. 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 2022 PA 144, 2022 PA 212, and this amendatory act, from state sources for fiscal year 2022-2023 is estimated at $17,090,672,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $15,764,187,600.00."Enacting section 1 of Act 103 of 2023 provides:"Enacting section 1. (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 $17,632,218,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $16,036,571,400.00. 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 $19,258,857,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,622,688,000.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $544,517,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $544,517,500.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2022 PA 144, 2022 PA 212, and this amendatory act, is estimated at $2,088,109,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 320 of 2023 provides:"Enacting section 1. (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, 2023 PA 103, and this amendatory act, from state sources for fiscal year 2022-2023 is estimated at $17,652,218,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $16,056,571,400.00. In accordance with

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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 2023 PA 103 and this amendatory act, from state sources for fiscal year 2023-2024 is estimated at $19,258,857,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,605,138,000.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by 2023 PA 103 and this amendatory act, is estimated at $549,517,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $549,517,500.00."Enacting section 1 of Act 120 of 2024 provides:"Enacting section 1. (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 2023 PA 103, 2023 PA 320, and this amendatory act from state sources for fiscal year 2023-2024 is estimated at $19,367,907,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,837,248,400.00. 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 2024-2025 is estimated at $18,371,481,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at $16,928,443,900.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at $550,817,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $550,817,500.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2024-2025 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $462,220,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at $461,720,800.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at $2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2024-2025 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,321,092,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at $70,000.00."Enacting section 1 of Act 148 of 2024 provides:"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 2024 PA 120 and this amendatory act, from state sources for fiscal year 2024-2025 is estimated at $18,497,481,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at $17,054,443,900.00."Enacting section 1 of Act 15 of 2025 provides:"Enacting section 1. (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 2024 PA 120, 2024 PA 148, and by this amendatory act, from state sources for fiscal year 2024-2025 is estimated at $18,811,776,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at $17,366,388,900.00. 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 2025-2026 is estimated at $18,881,123,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2025-2026 are estimated at $17,433,304,100.00."(2) In accordance with section 30 of article IX of the state constitution

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of 1963, total state spending from state sources for community colleges for fiscal year 2025-2026 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $493,032,100.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2025-2026 is estimated at $493,032,100.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2025-2026 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,333,712,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2025-2026 is estimated at $0.00."Enacting section 1 of Act 25 of 2026 provides:"Enacting section 1. (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 2025 PA 15 and this amendatory act, from state sources for fiscal year 2025-2026 is estimated at $18,693,813,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2025-2026 are estimated at $17,245,994,700.00. 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 2026-2027 is estimated at $19,390,174,600.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2026-2027 are estimated at $17,908,356,700.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2026-2027 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $496,663,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2026-2027 is estimated at $496,663,500.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2026-2027 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,606,632,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2026-2027 is estimated at $0.00."

***** 388.1611a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1611a.amended *****

388.1611a School aid stabilization fund; creation; deposit; expenditure; investment; money remaining at close of fiscal year; shortfall; full funding.

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.

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(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 2025-2026 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.

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History: Add. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Former MCL 388.1611a, which pertained to additional appropriations, was repealed by Act 300 of 1996, Eff. Oct. 1, 1996.Enacting section 1 of 2005 PA 98 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at

$11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1611a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1611a.amended School aid stabilization fund; creation; deposit; expenditure; investment; money remaining at close of fiscal year; shortfall; full funding.

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 2026-2027, 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.

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History: Add. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 29, Imd.

Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1611a, which pertained to additional appropriations, was repealed by Act 300 of 1996, Eff. Oct. 1, 1996.Enacting section 1 of 2005 PA 98 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

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388.1611b Repealed. 2005, Act 155, Eff. Oct. 1, 2005.

Compiler's Notes: The repealed section pertained to school aid stabilization fund.

388.1611c Repealed. 2004, Act 351, Eff. Oct. 1, 2004.

Compiler's Notes: The repealed section pertained to deposit to school aid stabilization fund.

388.1611d Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to a reduction in state funding for 2019-2020 and payments to districts for 2020-2021.

388.1611e Repealed. 1999, Act 119, Imd. Eff. July 20, 1999.

Compiler's Notes: The repealed section pertained to payments to plaintiff districts pursuant to Durant v State of Michigan.

388.1611f Payments to non-plaintiff districts pursuant to Durant v State of Michigan; payments for fiscal year ending September 30, 2008; submission of waiver resolution; creation of obligation or liability; offer of settlement and compromise; payment date; use of payments; form and substance of resolution; early intervening program.

Sec. 11f.

(1) From the appropriations under section 11, there is allocated for the purposes of this section an amount not to exceed $32,000,000.00 for the fiscal year ending September 30, 2008. Payments under this section will cease after September 30, 2008. These allocations are for paying the amounts described in subsection (4) to districts and intermediate districts, other than those receiving a lump sum payment under subsection (2), that were not plaintiffs in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492 and that, on or before March 2, 1998, submitted to the state treasurer a board resolution waiving any right or interest the district or intermediate district has or may have in any claim or litigation based on or arising out of any claim or potential claim through September 30, 1997 that is or was similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan. The waiver resolution shall be in form and substance as required under subsection (7). The state treasurer is authorized to accept such a waiver resolution on behalf of this state. The amounts described in this subsection represent offers of settlement and compromise of any claim or claims that were or could have been asserted by these districts and intermediate districts, as described in this subsection.

(2) In addition to any other money appropriated under this act, there was appropriated from the state school aid fund an amount not to exceed $1,700,000.00 for the fiscal year ending September 30, 1999. This appropriation was for paying the amounts described in this subsection to districts and intermediate districts that were not plaintiffs in the consolidated cases known as Durant v State of Michigan; that, on or before March 2, 1998, submitted to the state treasurer a board resolution waiving any right or interest the district or intermediate district had or may have had in any claim or litigation based on or arising out of any claim or potential claim through September 30, 1997 that is or was similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan; and for which the total amount listed in section 11h and paid under this section was less than $75,000.00. For a district or intermediate district qualifying for a payment under this subsection, the entire amount listed for the district or intermediate district in section 11h was paid in a lump sum on November 15, 1998 or on the next business day following that date. The amounts paid under this subsection represent offers of settlement and compromise of any claim or claims that were or could have been asserted by these districts and intermediate districts, as described in this subsection.

(3) This section does not create any obligation or liability of this state to any district or intermediate district that does not submit a waiver resolution described in this section. This section, any other provision of this act, and section 353e of the management and budget act, 1984 PA 431, MCL 18.1353e, are not intended to admit liability or waive any defense that is or would be available to this state or its agencies, employees, or agents in any litigation or future litigation with a district or intermediate district.

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(4) The amount paid each fiscal year to each district or intermediate district under subsection (1) shall be 1/20 of the total amount listed in section 11h for each listed district or intermediate district that qualifies for a payment under subsection (1). The amounts listed in section 11h and paid in part under this subsection and in a lump sum under subsection (2) are offers of settlement and compromise to each of these districts or intermediate districts to resolve, in their entirety, any claim or claims that these districts or intermediate districts may have asserted for violations of section 29 of article IX of the state constitution of 1963 through September 30, 1997, which claims are or were similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan. This section, any other provision of this act, and section 353e of the management and budget act, 1984 PA 431, MCL 18.1353e, shall not be construed to constitute an admission of liability to the districts or intermediate districts listed in section 11h or a waiver of any defense that is or would have been available to the state or its agencies, employees, or agents in any litigation or future litigation with a district or intermediate district.

(5) The entire amount of each payment under subsection (1) each fiscal year shall be paid on November 15 of the applicable fiscal year or on the next business day following that date.

(6) Funds paid to a district or intermediate district under this section shall be used only for textbooks, electronic instructional material, software, technology, infrastructure or infrastructure improvements, school buses, school security, training for technology, an early intervening program described in subsection (8), or to pay debt service on voter-approved bonds issued by the district or intermediate district before the effective date of this section. For intermediate districts only, funds paid under this section may also be used for other nonrecurring instructional expenditures including, but not limited to, nonrecurring instructional expenditures for vocational education, or for debt service for acquisition of technology for academic support services. Funds received by an intermediate district under this section may be used for projects conducted for the benefit of its constituent districts at the discretion of the intermediate board. To the extent payments under this section are used by a district or intermediate district to pay debt service on debt payable from millage revenues, and to the extent permitted by law, the district or intermediate district may make a corresponding reduction in the number of mills levied for that debt service.

(7) The resolution to be adopted and submitted by a district or intermediate district under this section and section 11g shall read as follows:

"Whereas, the board of _____ (name of district or intermediate district) desires to settle and compromise, in their entirety, any claim or claims that the district (or intermediate district) has or had for violations of section 29 of article IX of the state constitution of 1963, which claim or claims are or were similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492.

Whereas, the district (or intermediate district) agrees to settle and compromise these claims for the consideration described in sections 11f and 11g of the state school aid act of 1979, 1979 PA 94, MCL 388.1611f and 388.1611g, and in the amount specified for the district (or intermediate district) in section 11h of the state school aid act of 1979, 1979 PA 94, MCL 388.1611h.

Whereas, the board of _____ (name of district or intermediate district) is authorized to adopt this resolution.

Now, therefore, be it resolved as follows:

1. The board of _____ (name of district or intermediate district) waives any right or interest it may have in any claim or potential claim through September 30, 1997

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relating to the amount of funding the district or intermediate district is, or may have been, entitled to receive under the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, or any other source of state funding, by reason of the application of section 29 of article IX of the state constitution of 1963, which claims or potential claims are or were similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492.

2. The board of _____ (name of district or intermediate district) directs its secretary to submit a certified copy of this resolution to the state treasurer no later than 5 p.m. eastern standard time on March 2, 1998, and agrees that it will not take any action to amend or rescind this resolution.

3. The board of _____ (name of district or intermediate district) expressly agrees and understands that, if it takes any action to amend or rescind this resolution, the state, its agencies, employees, and agents shall have available to them any privilege, immunity, and/or defense that would otherwise have been available had the claims or potential claims been actually litigated in any forum.

4. This resolution is contingent on continued payments by the state each fiscal year as determined under sections 11f and 11g of the state school aid act of 1979, 1979 PA 94, MCL 388.1611f and 388.1611g. However, this resolution shall be an irrevocable waiver of any claim to amounts actually received by the school district or intermediate school district under sections 11f and 11g of the state school aid act of 1979.".

(8) An early intervening program that uses funds received under this section shall meet either or both of the following:

(a) Shall monitor individual pupil learning for pupils in grades K to 3 and provide specific support or learning strategies to pupils in grades K to 3 as early as possible in order to reduce the need for special education placement. The program shall include literacy and numeracy supports, sensory motor skill development, behavior supports, instructional consultation for teachers, and the development of a parent/school learning plan. Specific support or learning strategies may include support in or out of the general classroom in areas including reading, writing, math, visual memory, motor skill development, behavior, or language development. These would be provided based on an understanding of the individual child's learning needs.

(b) Shall provide early intervening strategies for pupils in grades K to 3 using school-wide systems of academic and behavioral supports and shall be scientifically research-based. The strategies to be provided shall include at least pupil performance indicators based upon response to intervention, instructional consultation for teachers, and ongoing progress monitoring. A school-wide system of academic and behavioral support should be based on a support team available to the classroom teachers. The members of this team could include the principal, special education staff, reading teachers, and other appropriate personnel who would be available to systematically study the needs of the individual child and work with the teacher to match instruction to the needs of the individual child.

History: Add. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 119, Imd. Eff. Apr. 14, 2006 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of

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cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."

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388.1611g Allocation; payments for fiscal year ending September 30, 2015; waiver resolution; offers of settlement and compromise; creation of obligation or liability; payment date; use of funds; reduction in number of mills levied for debt service; pledge or assignment of payments; dissolution of district.

Sec. 11g.

(1) From the appropriation in section 11, there is allocated for this section an amount not to exceed $39,500,000.00 for the fiscal year ending September 30, 2015, after which these payments will cease. These allocations are for paying the amounts described in subsection (3) to districts and intermediate districts, other than those receiving a lump-sum payment under section 11f(2), that were not plaintiffs in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492 and that, on or before March 2, 1998, submitted to the state treasurer a waiver resolution described in section 11f. The amounts paid under this section represent offers of settlement and compromise of any claim or claims that were or could have been asserted by these districts and intermediate districts, as described in this section.

(2) This section does not create any obligation or liability of this state to any district or intermediate district that does not submit a waiver resolution described in section 11f. This section and any other provision of this article are not intended to admit liability or waive any defense that is or would be available to this state or its agencies, employees, or agents in any litigation or future litigation with a district or intermediate district regarding these claims or potential claims.

(3) The amount paid each fiscal year to each district or intermediate district under this section shall be 1 of the following:

(a) If the district or intermediate district does not borrow money and issue bonds under section 11i, 1/30 of the total amount listed in section 11h for the district or intermediate district through the fiscal year ending September 30, 2015.

(b) If the district or intermediate district borrows money and issues bonds under section 11i, an amount in each fiscal year calculated by the department of treasury that is equal to the debt service amount in that fiscal year on the bonds issued by that district or intermediate district under section 11i and that will result in the total payments made to all districts and intermediate districts in each fiscal year under this section being no more than the amount appropriated under this section in each fiscal year.

(4) The entire amount of each payment under this section each fiscal year shall be paid on May 15 of the applicable fiscal year or on the next business day following that date. If a district or intermediate district borrows money and issues bonds under section 11i, the district or intermediate district shall use funds received under this section to pay debt service on bonds issued under section 11i. If a district or intermediate district does not borrow money and issue bonds under section 11i, the district or intermediate district shall use funds received under this section only for the following purposes, in the following order of priority:

(a) First, to pay debt service on voter-approved bonds issued by the district or intermediate district before the effective date of this section.

(b) Second, to pay debt service on other limited tax obligations.

(c) Third, for deposit into a sinking fund established by the district or intermediate district under the revised school code.

(5) To the extent payments under this section are used by a district or intermediate district to pay debt service on debt payable from millage revenues, and to the extent permitted by law, the district or intermediate district may make a corresponding reduction in the number of mills levied for debt service.

(6) A district or intermediate district may pledge or assign payments under this section as security for bonds issued under section 11i, but shall not otherwise pledge or assign payments under this section.

(7) If a district eligible for payments under this section is dissolved under section 12 of the revised school code, MCL 380.12, the payment otherwise due to the dissolved district under this section shall be paid instead to the intermediate district of the dissolved district. The intermediate district of the dissolved district shall perform any functions and responsibilities of the board and other officers of the dissolved district necessary under this section on behalf of the dissolved district. As used in this subsection, "dissolved district" and "receiving district" mean those terms as defined in section 20.

History: Add. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 97, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of

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cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 97 of 2013 provides:"Enacting section 1. In accordance with section 30 of article I 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 enrolled House Bill No. 4228 of the 97th Legislature and this amendatory act, from state sources for fiscal year 2013-2014 is estimated at $11,602,282,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2013-2014 are estimated at $11,442,024,700.00."

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388.1611h Amounts to districts for settlement, compromise, and resolution of claims pursuant to Durant v State of Michigan; section not to be construed as admission of liability or waiver of defense.

Sec. 11h.

(1) For the purposes of sections 11f and 11g, the following amounts are offered to each district or intermediate district to settle, compromise, and resolve, in their entirety, any claim or claims that those districts or intermediate districts may have asserted for violations of section 29 of article IX of the state constitution of 1963 through September 30, 1997, which claims are or were similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492:

CODE	NAME	AMOUNT
02010	Autrain-Onota Public Schools	$ 14,622
02020	Burt Township School District	$ 6,744

02070	Munising Public Schools	$ 185,461
02080	Superior Central School District	$ 96,734
03000	Allegan Intermediate District	$ 648,801
03010	Plainwell Community Schools	$ 741,425
03020	Otsego Public Schools	$ 540,058
03030	Allegan Public Schools	$ 926,426
03040	Wayland Union Schools	$ 731,677
03050	Fennville Public Schools	$ 579,056
03060	Martin Public Schools	$ 139,670
03070	Hopkins Public Schools	$ 255,685
03100	Hamilton Community Schools	$ 401,023
03440	Ganges School District #4	$ 2,201
04000	Alpena-Montmorency-Alcona Intermediate	$ 726,402
04010	Alpena Public Schools	$ 1,042,911
05010	Alba Public Schools	$ 42,367
05035	Central Lake Public Schools	$ 69,082
05040	Bellaire Public Schools	$ 167,614
05060	Elk Rapids Schools	$ 357,615
05065	Ellsworth Community Schools	$ 21,150
05070	Mancelona Public Schools	$ 285,764
06010	Arenac Eastern School District	$ 79,078
06050	Standish Sterling School District	$ 317,341
07020	Baraga Township School District	$ 216,490
07040	L'Anse Area Schools	$ 263,107
08000	Barry Intermediate District	$ 390,738
08010	Delton-Kellogg School District	$ 254,518
08030	Hastings Area School District	$ 615,970
08050	Thornapple-Kellogg School District	$ 794,355
09000	Bay Arenac Intermediate District	$ 3,690,121
09010	Bay City School District	$ 2,957,596
09030	Bangor Township Schools	$ 690,490
09090	Pinconning Area Schools	$ 437,504
10015	Benzie County Central Schools	$ 469,507
10025	Frankfort-Elberta Area Schools	$ 74,090
11000	Berrien Intermediate District	$ 4,488,648
11010	Benton Harbor Area Schools	$ 1,588,343
11030	Lakeshore School District	$ 505,985
11160	Galien Township School District	$ 148,305
11200	New Buffalo Area School District	$ 295,255

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11210	Brandywine Public School District	$ 430,713
11240	Berrien Springs Public School District	$ 1,020,853
11250	Eau Claire Public Schools	$ 295,326
11300	Niles Community School District	$ 1,886,362
11310	Buchanan Community School District	$ 415,327
11320	Watervliet School District	$ 333,411
11330	Coloma Community Schools	$ 518,321
11670	Hagar Township School District #6	$ 3,558
12000	Branch Intermediate District	$ 1,591,244
12010	Coldwater Community Schools	$ 533,753
12020	Bronson Community School District	$ 100,766
12040	Quincy Community School District	$ 118,640
13000	Calhoun Intermediate District	$ 2,099,031
13010	Albion Public Schools	$ 682,812
13020	Battle Creek Public Schools	$ 4,924,981
13050	Athens Area Schools	$ 239,614
13070	Harper Creek Community Schools	$ 737,397
13080	Homer Community Schools	$ 243,747
13090	Lakeview School District	$ 672,056
13095	Mar Lee School District	$ 22,341
13110	Marshall Public Schools	$ 499,126
13120	Pennfield School District	$ 295,615
13130	Tekonsha Community Schools	$ 84,152
13135	Union City Community School District	$ 261,232
14000	Lewis Cass Intermediate District	$ 1,156,252
14010	Cassopolis Public Schools	$ 359,167
14020	Dowagiac Union Schools	$ 886,692
14030	Edwardsburg Public Schools	$ 278,671
14050	Marcellus Community Schools	$ 133,119
15000	Charlevoix Emmet Intermediate District	$ 2,656,494
15010	Beaver Island Community Schools	$ 5,291
15020	Boyne City Public School District	$ 340,838
15030	Boyne Falls Public School District	$ 46,285
15060	East Jordan Public School District	$ 124,290
16000	Cheboygan Otsego Presque Isle ISD	$ 484,651
16015	Cheboygan Area Schools	$ 600,684
16050	Inland Lakes School District	$ 121,570
16070	Mackinaw City Public Schools	$ 10,133
16100	Wolverine Community School District	$ 36,114

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17000	Eastern Upper Peninsula ISD	$ 686,688
17010	Sault Ste Marie Area Schools	$ 1,375,408
17050	Detour Area Schools	$ 91,341
17090	Pickford Public Schools	$ 50,020
17110	Rudyard Area Schools	$ 167,700
17140	Brimley Area Schools	$ 339,116
17160	Whitefish Schools	$ 7,565
18000	Clare Gladwin Intermediate District	$ 824,976
18010	Clare Public Schools	$ 283,169
18020	Farwell Area Schools	$ 435,856
18060	Harrison Community Schools	$ 548,716
19000	Clinton Intermediate District	$ 1,408,672
19010	Dewitt Public Schools	$ 460,423
19070	Fowler Public Schools	$ 73,794
19100	Bath Community Schools	$ 207,492
19120	Ovid Elsie Area Schools	$ 421,074
19125	Pewamo Westphalia Community Schools	$ 123,323
19140	St. Johns Public Schools	$ 916,394
20015	Crawford Ausable Schools	$ 400,397
21000	Delta Schoolcraft Intermediate District	$ 751,556
21010	Escanaba Area Public Schools	$ 970,743
21025	Gladstone Area Schools	$ 394,007
21060	Rapid River Public Schools	$ 95,894
21065	Big Bay De Noc School District	$ 76,026
21090	Bark River Harris School District	$ 157,932
21135	Mid Peninsula School District	$ 70,668
22000	Dickinson-Iron Intermediate District	$ 886,487
22010	Iron Mountain City School District	$ 235,977
22025	Norway Vulcan Area Schools	$ 106,885
22030	Breitung Township School District	$ 373,341
22045	North Dickinson County School District	$ 108,610
23000	Eaton Intermediate District	$ 1,122,375
23010	Bellevue Community School District	$ 259,295
23030	Charlotte Public Schools	$ 931,778
23050	Eaton Rapids Public Schools	$ 933,405
23060	Grand Ledge Public Schools	$ 1,871,628
23065	Maple Valley School District	$ 406,606
23080	Olivet Community Schools	$ 273,708
23090	Potterville Public Schools	$ 223,936

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24020	Harbor Springs School District	$ 129,569
24030	Littlefield Public School District	$ 79,810
24040	Pellston Public School District	$ 87,279
24070	Petoskey Public Schools	$ 324,563
25000	Genesee Intermediate District	$ 6,300,676
25010	Flint City School District	$ 18,747,097
25040	Mt. Morris Consolidated Schools	$ 1,121,625
25060	Bendle Public Schools	$ 404,192
25070	Genesee School District	$ 231,806
25100	Fenton Area Public Schools	$ 1,111,528
25110	Kearsley Community Schools	$ 947,009
25120	Flushing Community Schools	$ 973,174
25130	Atherton Community School District	$ 299,766
25140	Davison Community Schools	$ 1,194,861
25150	Clio Area School District	$ 861,180
25180	Swartz Creek Community Schools	$ 1,281,780
25200	Lake Fenton Schools	$ 459,138
25210	Westwood Heights School District	$ 433,487
25230	Bentley Community School District	$ 416,919
25240	Beecher Community School District	$ 1,684,881
25250	Linden Community School District	$ 693,553
25260	Montrose Community Schools	$ 803,839
25280	Lakeville Community School District	$ 821,048
26010	Beaverton Rural Schools	$ 401,648
26040	Gladwin Community Schools	$ 427,002
27000	Gogebic Ontonagon Intermediate District	$ 558,679
27010	Bessemer City School District	$ 93,392
27020	Ironwood Area Schools	$ 358,358
27060	Marenisco School District	$ 13,053
27070	Wakefield Township School District	$ 76,782
27080	Watersmeet Township School District	$ 49,036
28000	Traverse Bay Intermediate District	$ 4,179,332
28010	Traverse City School District	$ 2,902,639
28035	Buckley Community School District	$ 85,755
28090	Kingsley Area School	$ 233,898
29000	Gratiot-Isabella RESD	$ 470,134
29010	Alma Public Schools	$ 694,386
29020	Ashley Community Schools	$ 74,662
29040	Breckenridge Community Schools	$ 304,118

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29050	Fulton Schools	$ 149,274
29060	Ithaca Public Schools	$ 471,693
29100	St. Louis Public Schools	$ 421,142
30000	Hillsdale Intermediate District	$ 1,766,059
30010	Camden Frontier Schools	$ 87,548
30020	Hillsdale Community Public Schools	$ 391,242
30030	Jonesville Community Schools	$ 109,455
30040	Litchfield Community Schools	$ 167,255
30050	North Adams-Jerome Public Schools	$ 61,387
30060	Pittsford Area Schools	$ 202,030
30070	Reading Community Schools	$ 128,460
30080	Waldron Area Schools	$ 98,856
31000	Copper Country Intermediate District	$ 874,467
31010	Hancock Public Schools	$ 177,175
31020	Adams Township School District	$ 20,756
31030	Calumet Public Schools	$ 314,749
31050	Chassell Township School District	$ 627
31100	Osceola Township School District	$ 3,877
31110	Houghton-Portage Township Schools	$ 176,454
31130	Lake Linden Hubbell School District	$ 98,547
32000	Huron Intermediate District	$ 1,188,316
32010	Bad Axe Public Schools	$ 163,568
32030	Caseville Public Schools	$ 29,891
32060	Harbor Beach Community Schools	$ 129,415
32090	Owendale Gagetown Area School District	$ 49,577
32130	Port Hope Community Schools	$ 373
32170	Ubly Community Schools	$ 103,432
33000	Ingham Intermediate District	$ 9,528,160
33020	Lansing Public School District	$ 13,878,055
33040	Dansville Agricultural School	$ 231,154
33060	Haslett Public Schools	$ 533,512
33070	Holt Public Schools	$ 1,436,837
33100	Leslie Public Schools	$ 487,249
33130	Mason Public Schools	$ 1,242,161
33200	Stockbridge Community Schools	$ 538,077
33220	Webberville Community Schools	$ 160,090
33230	Williamston Community Schools	$ 286,724
34000	Ionia Intermediate District	$ 889,225
34010	Ionia Public Schools	$ 1,442,559

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34040	Palo Community School District	$ 22,056
34080	Belding Area School District	$ 590,288
34090	Lakewood Public Schools	$ 621,134
34110	Portland Public School District	$ 512,174
34120	Saranac Community Schools	$ 222,518
35000	Iosco Intermediate District	$ 746,867
35010	Oscoda Area Schools	$ 586,953
35020	Hale Area Schools	$ 117,632
35040	Whittemore Prescott Area School District	$ 327,352
36015	Forest Park School District	$ 104,179
36025	West Iron County School District	$ 291,224
37010	Mt. Pleasant City School District	$ 1,661,159
37040	Beal City School	$ 94,455
37060	Shepherd Public School District	$ 537,492
38000	Jackson Intermediate District	$ 5,867,626
38010	Western School District	$ 368,913
38020	Vandercook Lake Public Schools	$ 182,732
38040	Columbia School District	$ 272,872
38050	Grass Lake Community Schools	$ 112,948
38080	Concord Community Schools	$ 136,334
38090	East Jackson Public Schools	$ 262,531
38100	Hanover Horton Schools	$ 210,862
38120	Michigan Center School District	$ 254,956
38130	Napoleon Community Schools	$ 162,981
38140	Northwest School District	$ 557,439
38150	Springport Public Schools	$ 112,368
38170	Jackson Public Schools	$ 4,007,741
39000	Kalamazoo Valley Intermediate District	$ 2,294,305
39010	Kalamazoo City School District	$ 4,620,814
39020	Climax Scotts Community Schools	$ 141,525
39050	Galesburg Augusta Community Schools	$ 491,658
39065	Gull Lake Community Schools	$ 664,438
39130	Parchment School District	$ 413,278
39160	Schoolcraft Community Schools	$ 278,974
39170	Vicksburg Community Schools	$ 606,035
40020	Forest Area Community School District	$ 249,638
40040	Kalkaska Public Schools	$ 536,507
41000	Kent Intermediate District	$ 1,018,499
41010	Grand Rapids City School District	$ 30,052,399

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41020	Godwin Heights Public Schools	$ 776,787
41025	Northview Public School District	$ 1,463,294
41026	Wyoming Public Schools	$ 3,510,038
41070	Cedar Springs Public Schools	$ 1,194,520
41080	Comstock Park Public Schools	$ 735,314
41120	Godfrey Lee Public School District	$ 625,281
41130	Grandville Public Schools	$ 2,285,726
41140	Kelloggsville Public Schools	$ 457,811
41150	Kent City Community Schools	$ 634,852
41170	Lowell Area School District	$ 1,191,193
41210	Rockford Public Schools	$ 1,800,045
41240	Sparta Area Schools	$ 1,572,479
43040	Baldwin Community Schools	$ 301,981
44000	Lapeer Intermediate District	$ 1,257,237
44010	Lapeer Community Schools	$ 1,606,732
44020	Almont Community Schools	$ 195,065
44050	Dryden Community Schools	$ 123,137
44060	Imlay City Community Schools	$ 650,688
44090	North Branch Area Schools	$ 361,607
45010	Glen Lake Community School District	$ 147,578
45020	Leland Public School District	$ 74,798
45040	Northport Public School District	$ 103,011
46000	Lenawee Intermediate District	$ 3,474,431
46010	Adrian City School District	$ 1,749,075
46020	Addison Community Schools	$ 228,919
46040	Blissfield Community Schools	$ 216,378
46050	Britton Macon Area School District	$ 48,992
46060	Clinton Community Schools	$ 156,385
46070	Deerfield Public Schools	$ 63,324
46080	Hudson Area Schools	$ 206,641
46090	Madison School District	$ 254,199
46100	Morenci Area Schools	$ 175,792
46110	Onsted Community Schools	$ 204,754
46130	Sand Creek Community Schools	$ 180,402
46140	Tecumseh Public Schools	$ 564,716
47000	Livingston Intermediate District	$ 3,740,653
47010	Brighton Area Schools	$ 1,608,320
47030	Fowlerville Community Schools	$ 458,044
47060	Hartland Consolidated Schools	$ 638,713

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47070	Howell Public Schools	$ 1,500,542
47080	Pinckney Community Schools	$ 585,950
48040	Tahquamenon Area Schools	$ 267,875
49010	St. Ignace City School District	$ 199,400
49040	Les Cheneaux Community School District	$ 79,470
49055	Engadine Consolidated Schools	$ 48,728
49070	Moran Township School District	$ 1,018
49110	Mackinac Island Public Schools	$ 19,763
50000	Macomb Intermediate School	$ 20,272,402
50030	Roseville Community Schools	$ 2,720,948
50040	Anchor Bay School District	$ 1,402,309
50050	Armada Area Schools	$ 511,195
50070	Clintondale Community Schools	$ 1,493,807
50080	Chippewa Valley Schools	$ 2,743,571
50130	Lakeview Public Schools	$ 1,303,122
50170	New Haven Community Schools	$ 443,394
50180	Richmond Community Schools	$ 714,909
50190	Romeo Community Schools	$ 1,416,793
51000	Manistee Intermediate District	$ 805,187
51020	Bear Lake School District	$ 68,270
51045	Kaleva Norman - Dickson Schools	$ 143,635
51060	Onekama Consolidated Schools	$ 10,726
51070	Manistee Area Public Schools	$ 309,900
52000	Marquette Alger Intermediate District	$ 931,342
52015	N.I.C.E. Community Schools	$ 487,900
52040	Gwinn Area Community Schools	$ 686,265
52090	Negaunee Public Schools	$ 360,838
52100	Powell Township School District	$ 26,655
52110	Republic Michigamme Schools	$ 111,822
52160	Wells Township School District	$ 4,936
52170	Marquette City School District	$ 1,176,918
52180	Ishpeming Public School District	$ 369,755
53000	Mason Lake Intermediate District	$ 1,418,466
53010	Mason County Central School District	$ 270,895
53020	Mason County Eastern School District	$ 100,000
53030	Freesoil Community School District	$ 28,616
53040	Ludington Area School District	$ 553,370
54000	Mecosta Osceola Intermediate District	$ 1,144,797
54010	Big Rapids Public Schools	$ 301,222

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54025	Chippewa Hills School District	$ 603,473
54040	Morley Stanwood Community Schools	$ 298,110
55000	Menominee Intermediate District	$ 596,813
55010	Carney Nadeau Public Schools	$ 36,825
55100	Menominee Area Public Schools	$ 410,849
55115	North Central Area Schools	$ 79,050
55120	Stephenson Area Public Schools	$ 146,858
56000	Midland Intermediate District	$ 778,082
56020	Bullock Creek School District	$ 815,270
56030	Coleman Community School District	$ 405,291
56050	Meridian Public Schools	$ 847,821
57010	Falmouth Elementary School District	$ 11,423
57020	Lake City Area School District	$ 144,279
57030	McBain Agricultural School District	$ 148,767
58000	Monroe Intermediate District	$ 5,938,669
58020	Airport Community School District	$ 968,294
58030	Bedford Public School District	$ 814,625
58050	Dundee Community Schools	$ 290,343
58070	Ida Public School District	$ 904,674
58080	Jefferson Schools-Monroe County	$ 1,122,705
58090	Mason Consolidated School District	$ 404,108
58100	Summerfield School District	$ 196,514
58110	Whiteford Agricultural School District	$ 171,481
59000	Montcalm Area Intermediate District	$ 2,405,905
59020	Carson City Crystal Area School District	$ 248,985
59045	Montabella Community School District	$ 235,193
59070	Greenville Public Schools	$ 937,756
59080	Tri County Area Schools	$ 309,365
59090	Lakeview Community Schools	$ 317,348
59125	Central Montcalm Public Schools	$ 488,104
59150	Vestaburg Community Schools	$ 142,375
60010	Atlanta Community Schools	$ 102,771
60020	Hillman Community Schools	$ 89,566
61000	Muskegon Intermediate District	$ 1,704,192
61010	Muskegon City School District	$ 7,333,232
61020	Muskegon Heights School District	$ 1,665,615
61060	Mona Shores School District	$ 924,108
61065	Oakridge Public Schools	$ 516,766
61080	Fruitport Community Schools	$ 1,340,081

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61120	Holton Public Schools	$ 404,703
61180	Montague Area Public Schools	$ 353,974
61190	Orchard View Schools	$ 835,211
61210	Ravenna Public Schools	$ 289,731
61220	Reeths Puffer Schools	$ 1,362,629
61230	North Muskegon Public Schools	$ 104,428
61240	Whitehall School District	$ 566,527
62000	Newaygo Intermediate District	$ 2,002,463
62040	Fremont Public School District	$ 413,415
62050	Grant Public School District	$ 408,836
62060	Hesperia Community School District	$ 258,339
62070	Newaygo Public School District	$ 808,680
62080	Pineview School District	$ 6,754
62090	White Cloud Public Schools	$ 326,623
62470	Big Jackson School District	$ 4,683
63080	Bloomfield Hills School District	$ 6,277,282
63090	Clarenceville School District	$ 1,050,868
63110	Oxford Area Community School District	$ 1,064,497
63130	Hazel Park City School District	$ 4,502,785
63180	Brandon School District	$ 1,573,574
63190	Clarkston Community School District	$ 2,599,329
63210	Holly Area School District	$ 1,652,532
63250	Oak Park City School District	$ 2,742,617
63300	Waterford School District	$ 7,891,782
64000	Oceana Intermediate District	$ 459,987
64040	Hart Public School District	$ 492,658
64070	Pentwater Public School District	$ 50,550
64080	Shelby Public Schools	$ 308,687
64090	Walkerville Rural Community Schools	$ 178,928
65045	West Branch-Rose City Area Schools	$ 597,592
66045	Ewen-Trout Creek Consolidated Schools	$ 125,613
66050	Ontonagon Area Schools	$ 117,972
66070	White Pine School District	$ 38,434
67020	Evart Public Schools	$ 222,644
67050	Marion Public Schools	$ 120,994
67055	Pine River Area Schools	$ 210,897
67060	Reed City Area Public Schools	$ 225,449
68010	Mio Au Sable Schools	$ 188,436
68030	Fairview Area School District	$ 53,298

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69020	Gaylord Community Schools	$ 361,967
69030	Johannesburg-Lewiston Schools	$ 302,444
69040	Vanderbilt Area School	$ 78,924
70000	Ottawa Intermediate District	$ 3,134,623
70040	Allendale Public School District	$ 304,155
70120	Coopersville Public School District	$ 547,307
70175	Jenison Public Schools	$ 1,174,903
70190	Hudsonville Public School District	$ 642,115
70300	Spring Lake Public School District	$ 654,764
71050	Onaway Area Community School District	$ 62,371
71060	Posen Cons School District	$ 89,023
71080	Rogers City Area Schools	$ 98,801
72000	C O O R Intermediate District	$ 1,535,012
72010	Gerrish Higgins School District	$ 315,748
73000	Saginaw Intermediate District	$ 3,752,177
73010	Saginaw City School District	$ 9,709,110
73030	Carrollton School District	$ 757,628
73080	Buena Vista School District	$ 774,237
73110	Chesaning Union Schools	$ 586,935
73170	Birch Run Area School District	$ 442,083
73180	Bridgeport-Saulding Community Schools	$ 947,910
73200	Freeland Community School District	$ 245,297
73210	Hemlock Public School District	$ 463,950
73230	Merrill Community School District	$ 313,949
73240	St. Charles Community Schools	$ 217,281
73255	Swan Valley School District	$ 404,732
74000	St. Clair Intermediate District	$ 2,495,753
74010	Port Huron Area School District	$ 5,768,925
74030	Algonac Community School District	$ 683,103
74040	Capac Community School District	$ 637,134
74100	Marysville Public School District	$ 541,674
74120	Memphis Community Schools	$ 236,433
74130	Yale Public Schools	$ 364,744
75000	St. Joseph Intermediate District	$ 1,557,997
75010	Sturgis Public School District	$ 667,172
75020	Burr Oak Community School District	$ 31,806
75030	Centreville Public Schools	$ 239,843
75040	Colon Community School District	$ 136,247
75050	Constantine Public School District	$ 295,041

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75060	Mendon Community School District	$ 220,774
75070	White Pigeon Community School District	$ 166,233
75080	Three Rivers Community Schools	$ 903,838
75100	Nottawa Community School	$ 30,147
76000	Sanilac Intermediate District	$ 694,073
76060	Brown City Community School District	$ 174,912
76070	Carsonville-Port Sanilac School District	$ 93,165
76080	Croswell Lexington Community Schools	$ 410,871
76090	Deckerville Community School District	$ 118,766
76140	Marlette Community Schools	$ 284,291
76180	Peck Community School District	$ 35,198
76210	Sandusky Community School District	$ 308,221
77010	Manistique Area Schools	$ 310,466
78000	Shiawassee RESD	$ 3,184,986
78020	Byron Area Schools	$ 191,551
78030	Durand Area Schools	$ 540,453
78040	Laingsburg Community School District	$ 114,818
78060	Morrice Area Schools	$ 85,394
78070	New Lothrop Area Public School District	$ 105,582
78080	Perry Public School District	$ 273,749
78100	Corunna Public School District	$ 454,571
78110	Owosso Public Schools	$ 885,887
79000	Tuscola Intermediate District	$ 1,095,027
79010	Akron Fairgrove Schools	$ 76,917
79020	Caro Community Schools	$ 476,124
79030	Cass City Public Schools	$ 250,135
79080	Kingston Community School District	$ 27,113
79090	Mayville Community School District	$ 267,475
79100	Millington Community Schools	$ 258,045
79110	Reese Public Schools	$ 164,035
79145	Unionville Sebewaing Area Schools	$ 98,025
79150	Vassar Public Schools	$ 271,839
80000	Van Buren Intermediate District	$ 3,864,085
80010	South Haven Public Schools	$ 619,864
80020	Bangor Public Schools	$ 246,071
80040	Covert Public Schools	$ 179,845
80050	Decatur Public Schools	$ 214,070
80090	Bloomingdale Public School District	$ 303,179
80110	Gobles Public School District	$ 145,320

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80120	Hartford Public School District	$ 475,713
80130	Lawrence Public School District	$ 94,596
80140	Lawton Community School District	$ 190,087
80150	Mattawan Consolidated School District	$ 312,724
80160	Paw Paw Public School District	$ 301,501
81000	Washtenaw Intermediate District	$ 2,724,063
81040	Chelsea School District	$ 518,995
81050	Dexter Community School District	$ 962,834
81070	Lincoln Consolidated School District	$ 1,492,337
81080	Manchester Community School District	$ 472,632
81100	Milan Area Schools	$ 572,621
81120	Saline Area School District	$ 1,624,108
81140	Whitmore Lake Public School District	$ 496,133
81150	Willow Run Community Schools	$ 2,071,518
82000	Wayne Intermediate District	$ 8,287,172
82010	Detroit City School District	$ 118,608,866
82040	Dearborn Heights School District #7	$ 849,305
82045	Melvindale Allen Park Schools	$ 836,448
82050	Garden City School District	$ 5,839,085
82060	Hamtramck Public Schools	$ 1,734,517
82070	Highland Park City Schools	$ 1,875,555
82080	Inkster City School District	$ 1,252,453
82090	Lincoln Park Public Schools	$ 2,194,776
82110	Redford Union School District	$ 5,630,439
82120	River Rouge City Schools	$ 885,742
82130	Romulus Community Schools	$ 2,366,586
82150	Taylor School District	$ 6,396,657
82160	Wayne-Westland Community School District	$ 14,003,645
82170	Wyandotte City School District	$ 3,732,656
82180	Flat Rock Community Schools	$ 549,211
82240	Westwood Community Schools	$ 1,762,599
82250	Ecorse Public School District	$ 656,734
82340	Huron School District	$ 1,302,779
82405	Southgate Community School District	$ 1,037,284
82430	Van Buren Public Schools	$ 3,312,445
83000	Wexford Missaukee Intermediate District	$ 1,625,243
83010	Cadillac Area Public Schools	$ 468,432
83060	Manton Consolidated Schools	$ 118,182
83070	Mesick Consolidated School District	$ 88,208

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(2) This section, any other provision of this act, or section 353e of the management and budget act, 1984 PA 431, MCL 18.1353e, shall not be construed to constitute an admission of liability to the districts designated in this section in any litigation or future litigation with a district or intermediate district. In addition, this section, any other provision of this act, or section 353e of the management and budget act, 1984 PA 431, MCL 18.1353e, shall not be construed to constitute a waiver of any defense that is or would have been available to this state or its agencies, employees, or agents in any litigation or future litigation with a district or intermediate district.

History: Add. 1997, Act 142, Imd. Eff. Nov. 19, 1997
Compiler's Notes: In the above table, the entry for "Bridgeport-Saulding Community Schools" should evidently read "Bridgeport-Spaulding Community Schools."

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388.1611i Borrowing money and issuing bonds.

Sec. 11i.

(1) In addition to any other authority granted under law, an eligible district or intermediate district may borrow from the Michigan municipal bond authority created under the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1077, an amount equal to 1/2 of the amount listed for the district or intermediate district in section 11h, in anticipation of the receipt of the payments appropriated under section 11g, and may authorize by resolution of its governing body and issue its bonds to evidence its obligations to the Michigan municipal bond authority on the terms and with those provisions as are provided by resolution of the board of the district or intermediate district and as are acceptable to the Michigan municipal bond authority if the bonds are accompanied by an opinion of bond counsel acceptable to the Michigan municipal bond authority to the effect that the interest on the bonds is excluded from gross income for federal income tax purposes. For the purposes of this section, an eligible district or intermediate district is a district or intermediate district, other than a district or intermediate district that receives a lump sum payment under section 11f(2), that qualifies to receive funds under sections 11f and 11g and that notifies the department of treasury not later than 5 p.m. eastern daylight time on June 30, 1998, in the form and manner prescribed by the department of treasury, that the district or intermediate district will borrow money and issue bonds under this section or is a district, other than a district that receives a lump sum payment under section 11f(2), that qualifies to receive funds under sections 11f and 11g, that has a membership of less than 2,000 full-time equated pupils, that has not submitted to the department of treasury a letter stating its intent not to borrow from the Michigan municipal bond authority, and that notified the department of treasury not later than 5 p.m. eastern daylight time on July 14, 1998, in the form and manner prescribed by the department of treasury, that the district will borrow money and issue bonds under this section. A district or intermediate district may pledge and assign to the Michigan municipal bond authority, as security for the bonds, all of the payments appropriated to it under section 11g but may not otherwise pledge or assign those payments. Bonds issued under this section are not subject to the municipal finance act, 1943 PA 202, MCL 131.1 to 139.3.

(2) Proceeds of bonds issued under this section shall be made available to districts and intermediate districts on or after November 15, 1998. Each district and intermediate district shall use proceeds of bonds issued by it under this section only for a purpose for which bonds may be issued under section 1351a of the revised school code, MCL 380.1351a.

(3) Bonds issued under this section do not constitute a general obligation or debt of a district or intermediate district within the meaning of any constitutional or statutory debt limitation.

(4) This section shall be construed as cumulative authority for the exercise of the powers granted in this section and shall not be construed to repeal any existing law. The purpose of this section is to create full and complete additional and alternate methods for the exercise of existing powers, and the powers conferred by this section are not affected or limited by any other statute or by any charter or incorporating document.

(5) A pledge made by a district or intermediate district under this section is valid and binding from the time the pledge is made. The revenue or other money pledged under this section and thereafter received by a district or intermediate district is immediately subject to the lien of the pledge without physical delivery of the revenue or money or any further act. The lien of such a pledge is valid and binding against a party having a claim of any kind in tort, contract, or otherwise against the district or intermediate district, irrespective of whether that party has notice of the pledge. The resolution or any other instrument by which a pledge is created is not required to be filed or recorded in order to establish and perfect a lien or security interest in the property pledged.

(6) Bonds issued under this section are not in any way a debt or liability of this state; do not create or constitute any indebtedness, liability, or obligation of this state; are not and do not constitute a pledge of the faith and credit of this state; and shall contain on their face a statement to that effect.

History: Add. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998

***** 388.1611j THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1611j.amended *****

388.1611j School loan bond redemption fund.

Sec. 11j.

From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $23,000,000.00 for 2025-2026 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.

History: Add. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004 ;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 92, Imd. Eff. Oct. 1, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act

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from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 98 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 92 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for the fiscal period beginning October 1, 2007 and ending October 31, 2007 is estimated at $1,052,305,700.00 and state appropriations to be paid to local units of government for the fiscal period beginning October 1, 2007 and ending October 31, 2007 are estimated at $1,044,700,000.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112 of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."

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***** 388.1611j.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1611j.amended School loan bond redemption fund.

Sec. 11j.

From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $23,000,000.00 for 2026-2027 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.

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History: Add. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004 ;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 92, Imd. Eff. Oct. 1, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 98 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 92 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for the fiscal period beginning October 1, 2007 and ending October 31, 2007 is estimated at $1,052,305,700.00 and state appropriations to be paid to local units of government for the fiscal period beginning October 1, 2007 and ending October 31, 2007 are estimated at $1,044,700,000.00."Enacting section 1 of Act 137 of 2007

provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112 of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332,600.00."

***** 388.1611k THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1611k.amended *****

388.1611k School loan revolving fund.

Sec. 11k.

For 2025-2026, 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.

History: Add. 2005, Act 155, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

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Compiler's Notes: Former MCL 388.1611k, which pertained to project grants to districts, was repealed by Act 111 of 2001, Imd. Eff. Sept. 28, 2001.Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1611k.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

CAUTION! This document is from an archive and may contain outdated information.

388.1611k.amended School loan revolving fund.

Sec. 11k.

For 2026-2027, 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.

History: Add. 2005, Act 155, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1611k, which pertained to project grants to districts, was repealed by Act 111 of 2001, Imd. Eff. Sept. 28, 2001.Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of

government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1611m THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1611m.amended *****

388.1611m Fiscal year cash-flow borrowing costs.

Sec. 11m.

From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 an amount not to exceed $5,000,000.00 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.

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History: Add. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2010, Act 217, Imd. Eff. Dec. 3, 2010 ;-- Am. 2011, Act 62, Imd. Eff. June 21, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Imd. Eff. June 17, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007

provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 217 of 2010 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 204, and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00.(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 110, and in 2009 PA 121 from state sources for fiscal year 2009-2010 is estimated at $10,645,097,700.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,562,169,000.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."

***** 388.1611m.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1611m.amended Fiscal year cash-flow borrowing costs.

Sec. 11m.

From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $10,000,000.00 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.

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History: Add. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2010, Act 217, Imd. Eff. Dec. 3, 2010 ;-- Am. 2011, Act 62, Imd. Eff. June 21, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Imd. Eff. June 17, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act

from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 217 of 2010 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 204, and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00.(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 110, and in 2009 PA 121 from state sources for fiscal year 2009-2010 is estimated at $10,645,097,700.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,562,169,000.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332,600.00."

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388.1611n Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: Former MCL 388.1611n, which pertained to 21st century schools fund, was repealed by Act 121 of 2009, Imd. Eff. Oct. 19, 2009.The repealed section pertained to the allocation of federal funds under the governor's emergency education relief (GEER) fund and elementary and secondary school emergency relief (ESSER) fund for payments to districts.

388.1611o Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: Former MCL 388.1611o, which pertained to allocations for certain early childhood services, early intervention services, summer great start readiness programs, and summer early childhood programs, was repealed by Act 108 of 2017, Eff. Oct. 1, 2017.The repealed section pertained to the allocation of federal funds to nonpublic schools.

388.1611p Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to federal funding to districts from the coronavirus relief fund under the coronavirus aid, relief, and economic security act.

388.1611q Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to an appropriation from the countercyclical budget and economic stabilization fund for 2019-2020.

388.1611r Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: Former MCL 388.1611r, which pertained to distressed districts emergency grant fund, was repealed by Act 108 of 2017, Eff. Oct. 1, 2017.The repealed section pertained to payments from the elementary and secondary school emergency relief (ESSER) fund, spending plan requirements, and subgrants to local educational agencies.

***** 388.1611s THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1611s.amended *****

388.1611s Services and programs for children residing within cities for which executive proclamation of emergency concerning drinking water issued under MCL 30.401 to 30.421; employment of school nurses, classroom aides, school social workers, and community health workers; nutritional services; interventions and supports for certain students; payment schedule.

Sec. 11s.

(1) From the state school aid fund money appropriated in section 11, there is allocated $5,000,000.00 for 2025-2026 only and from the general fund money appropriated in section 11, there is allocated $3,000,000.00 for 2025-2026 only 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 10 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 2,600 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 10 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 2,600 pupils in membership for a fiscal year after 2016-2017, an amount not to exceed $2,425,000.00 for 2025-2026 for the purpose of employing school nurses, classroom aides, school social workers, and community health workers; for the provision of behavioral or mental health supports, parental engagement activities, community coordination activities, and other support services; and for purchasing program supplies. 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.

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(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 2025-2026 only, from the general fund money allocated in subsection (1), there is allocated an amount not to exceed $575,000.00 for nutritional services to children described in subsection (1).

(4) For 2025-2026 only, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $5,000,000.00 to an intermediate district that has a constituent district described in subsection (2) for interventions and supports for students in grades 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) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

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History: Add. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 3 of Act 48 of 2021 provides:"Enacting section 3. (1) Except as otherwise provided in subsection (2), this amendatory act takes effect October 1, 2021.(2) Sections 6(8), 6a, 11, 11m, 11n, 11s(3), 22a, 22b, 24, 26c, 29a, 31d, 31f, 39a, 51a, 51c, 51d, 56, 62, 81, 104a, 147a, and 147e of the state school aid act of 1979, 1979 PA 94, MCL 388.1606, 388.1606a, 388.1611, 388.1611m, 388.1611n, 388.1611s, 388.1622a, 388.1622b, 388.1624, 388.1626c, 388.1629a, 388.1631d, 388.1631f, 388.1639a, 388.1651a, 388.1651c, 388.1651d, 388.1656, 388.1662, 388.1681, 388.1704a, 388.1747a, and 388.1747e, as amended and sections 11t, 31p, and 39(9) of the state school aid act of 1979, 1979 PA 94, as added by this amendatory act, take effect upon enactment of this amendatory act."

***** 388.1611s.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1611s.amended Services and programs for children residing within cities for which executive proclamation of emergency concerning drinking water issued under MCL 30.401 to 30.421; payment schedule.

Sec. 11s.

(1) From the state school aid fund money appropriated in section 11, there is allocated $3,000,000.00 for 2026-2027 only 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 11 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 2,400 pupils in membership for a fiscal year after 2016-2017.

(2) For 2026-2027 only, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $3,000,000.00 to an intermediate district that has a

constituent district described in subsection (1) for interventions and supports for students in grades 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.

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

History: Add. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 3 of Act 48 of 2021 provides:"Enacting section 3. (1) Except as otherwise provided in subsection (2), this amendatory act takes effect October 1, 2021.(2) Sections 6(8), 6a, 11, 11m, 11n, 11s(3), 22a, 22b, 24, 26c, 29a, 31d, 31f, 39a, 51a, 51c, 51d, 56, 62, 81, 104a, 147a, and 147e of the state school aid act of 1979, 1979 PA 94, MCL 388.1606, 388.1606a, 388.1611, 388.1611m, 388.1611n, 388.1611s, 388.1622a, 388.1622b, 388.1624, 388.1626c, 388.1629a, 388.1631d, 388.1631f, 388.1639a, 388.1651a, 388.1651c, 388.1651d, 388.1656, 388.1662, 388.1681, 388.1704a, 388.1747a, and 388.1747e, as amended and sections 11t, 31p, and 39(9) of the state school aid act of 1979, 1979 PA 94, as added by this amendatory act, take effect upon enactment of this amendatory act."

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388.1611t Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: Former MCL 388.1611t which pertained to legislative intent to change name of state school aid fund to comprehensive education fund was repealed by Act 60 of 2013, Eff. Oct. 1, 2013.The repealed section pertained to payments from the elementary and secondary school emergency relief (ESSER) fund for interventions, activities, and programs for disproportionate impact of COVID-19.

388.1611u Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: The repealed section pertained to legislative intent to examine funding structure.

388.1611v Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Detroit public schools community district literacy settlement agreement and literacy equity task force.

388.1611w Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to payments for a forced closure as result of pupil violence.

***** 388.1611x THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1611x.amended *****

388.1611x School consolidation and infrastructure fund.

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.

(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 buildings within a district, among 1 or more districts, or among 1 or more intermediate districts. Districts and intermediate districts may apply for a grant under this subsection to the department on a first-come, first-serve basis. The maximum amount of a grant to be distributed under this 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.

(7) To be eligible for a grant under subsection (6), a district or intermediate district must demonstrate to the department, in the manner prescribed by the department, that it 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 district or intermediate district will make the results of the study or analysis 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 district or 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 is 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 is not limited to, the following:

(A) Onboarding.

(B) Title IX administration.

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(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 is 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) Consolidation of transportation-related activities.

(ix) The physical consolidation of districts.

(8) An intermediate district that receives a grant under this section shall 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 for an intermediate district must include a brief description of how the intermediate district will conduct these meetings.

(9) To be eligible for the receipt of 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 the intent of the legislature 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.

(10) For 2025-2026, $83,400,000.00 from the school consolidation and infrastructure fund must be deposited into the state school aid fund.

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History: Add. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1611x.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1611x.amended School consolidation and infrastructure fund.

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.

(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 buildings within a district, among 1 or more districts, or among 1 or more intermediate districts. Districts and intermediate districts may apply for a grant under this subsection to the department on a first-come, first-serve basis. The maximum amount of a grant to be distributed under this 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.

(7) To be eligible for a grant under subsection (6), a district or intermediate district must demonstrate to the department, in the manner prescribed by the department, that it 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 district or intermediate district will make the results of the study or analysis 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 district or 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 is 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 is 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:

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(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 is 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) Consolidation of transportation-related activities.

(ix) The physical consolidation of districts.

(8) An intermediate district that receives a grant under this section shall 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 for an intermediate district must include a brief description of how the intermediate district will conduct these meetings.

(9) To be eligible for the receipt of 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 former section 11y to be conducted in the district. It is the intent of the legislature 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 former section 11y.

(10) For 2026-2027, $50,000,000.00 from the state school aid fund must be deposited into the school consolidation and infrastructure fund.

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History: Add. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1611y Repealed. 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to a statewide school facilities study.

388.1611z School aid countercyclical budget and foundation stabilization fund.

Sec. 11z.

(1) The school aid countercyclical budget and foundation stabilization fund is created as a separate account in the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the school aid countercyclical budget and foundation stabilization fund.

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

(4) Money in the school aid countercyclical budget and foundation stabilization fund at the close of a fiscal year remains in the school aid countercyclical budget and foundation stabilization fund and does not lapse to the state school aid fund or the general fund.

(5) Except as provided in subsections (6) and (7), money available in the school aid countercyclical budget and foundation stabilization fund may not be expended without a specific appropriation from the school aid countercyclical budget and foundation stabilization fund.

(6) If, for a given fiscal year, the department of treasury determines that proration of payments under this article will be required under section 296, the amount necessary to avoid proration, or an amount necessary to reduce proration, may be deposited from the school aid countercyclical budget and foundation stabilization fund into the state school aid fund. The state budget director shall notify the legislature of a deposit under this subsection at least 30 calendar days or 6 legislative session days, whichever is more, before a deposit is made. Funds deposited into the state school aid fund under this subsection must be used only to eliminate or reduce proration under this article, as required under section 296. If, after making final calculations under section 296, the amount deposited into the state school aid fund under this section exceeds the amount actually necessary to eliminate or reduce proration, the excess amount must be deposited back into the school aid countercyclical budget and foundation stabilization fund.

(7) If year-over-year revenues for the state school aid fund are projected to decline, as determined during the final revenue estimating conference of a given fiscal year, the gross year-over-year decline in state school aid fund revenue may be deposited from the school aid countercyclical budget and foundation stabilization fund into the state school aid fund. The state budget director shall notify the legislature of a deposit under this subsection at least 30 calendar days or 6 legislative session days, whichever is more, before a deposit is made.

(8) Funds deposited into the state school aid fund under this section must be appropriated only for purposes under article I.

(9) For the fiscal year ending September 30, 2025 only, $25,000,000.00 from the state school aid fund is deposited into the school aid countercyclical budget and foundation stabilization fund.

(10) As used in this section:

(a) "Revenue estimating conference" means a revenue estimating conference occurring in May as described in section 367b of the management and budget act, MCL 18.1367b.

(b) "Year-over-year" means a comparison of the fiscal year in which calculations are being made to the fiscal year immediately preceding the fiscal year in which calculations are being made.

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History: Add. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

388.1611aa Repealed. 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to ASHRAI Level II energy efficiency audits.

388.1611bb Repealed. 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to the reallocation of the governor's emergency education relief (GEER) fund.

388.1612 Repealed. 2015, Act 85, Eff. Oct. 1, 2015.

Compiler's Notes: The repealed section pertained to legislative intent concerning appropriations for fiscal year ending September 30, 2016.

388.1612a Healthy schools grant program.

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 $50,000,000.00 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 be used only for 1 or more of the following purposes:

(a) Indoor air quality improvements, including HVAC and air-conditioning needs.

(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. A participating school's matching funds requirement to access healthy hydration funding is an eligible use under this subsection.

(4) Except as otherwise provided in this subsection, each participating school receiving a grant under this section shall match at least 50% of the grant funding received with other

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sources toward the completion of projects commenced for purposes of this section. The match requirement in this subsection does not apply to funding used for the purposes described in subsection (3)(d).

(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.

History: Add. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024

388.1612b Repealed. 2023, Act 320, Eff. Feb. 13, 2024.

Compiler's Notes: The repealed section pertained to an allocation for facility upgrades in school-based health centers.

388.1612c Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation for consolidation of services in a feasibility study under MCL 388.1611x.

***** 388.1612d THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1612d.amended *****

388.1612d Consolidation and infrastructure fund; grants for internal consolidation.

Sec. 12d.

(1) From the school consolidation and infrastructure fund created under section 11x, there is allocated for 2023-2024 only an amount not to exceed $110,000,000.00 for the purposes of this section.

(2) From the amount allocated in subsection (1), there is allocated an amount not to exceed $75,000,000.00 for grants to districts and intermediate districts to support costs related to internal consolidation within the district or intermediate district. All of the following apply to grants under this subsection:

(a) The department shall allow grants for applicants that have already taken actions for internal consolidation within the previous 2 years and grants for applicants that have not yet begun internal consolidation activities.

(b) The department shall prioritize applications from districts and intermediate districts that meet any of the following criteria:

(i) Are in an opportunity index band, as described in section 31a, of 3 or higher.

(ii) Are an intermediate district for which the percentage of pupils in membership who were determined to be economically disadvantaged in the immediately preceding fiscal year is equal to or greater than the minimum percentage for a district or public school academy to be in an opportunity index band, as described in section 31a, of 3 or higher.

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(iii) Are experiencing declining enrollment.

(iv) Have no ability to issue bonds for infrastructure needs, or have made a good-faith effort, as determined by the department, to issue bonds for infrastructure needs.

(c) Grants may be used for operational expenses related to internal consolidation and for infrastructure needs. Infrastructure needs may include, but are not limited to, the removal of buildings.

(3) From the amount allocated in subsection (1), $35,000,000.00 is allocated as follows:

(a) $15,000,000.00 to Detroit Public Schools Community District to support the construction of the Cooley High School athletic complex.

(b) $10,000,000.00 to Wayne RESA to support the construction of an academic and professional building in the city of Wayne.

(c) $5,000,000.00 to Beecher Community School District to support the construction of a high school in the district.

(d) $4,000,000.00 to Taylor School District for costs related to a new high school in the district.

(e) $1,000,000.00 to the School District of the City of Hamtramck to support the costs of building infrastructure upgrades and maintenance.

(4) Subject to the provisions of this subsection, in addition to the money appropriated in section 11, from the state school aid fund, there is appropriated and allocated for 2025-2026 an amount not to exceed $4,000,000.00 to Taylor School District for costs related to a new high school in the district or for other infrastructure purposes. The appropriation and allocation under this subsection is contingent on the effective issuance of a directive by the budget director, pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.451a, to lapse $4,000,000.00 of remaining funding from a work project that was established under this section in 2023-2024. The amount allocated under this subsection may not exceed the amount lapsed from the work project referenced in the immediately preceding sentence.

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

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History: Add. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1612d.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1612d.amended Consolidation and infrastructure fund; grants for internal consolidation.

Sec. 12d.

(1) From the school consolidation and infrastructure fund created under section 11x, there is allocated for 2023-2024 only an amount not to exceed $110,000,000.00 for the purposes of this section.

(2) From the amount allocated in subsection (1), there is allocated an amount not to exceed $75,000,000.00 for grants to districts and intermediate districts to support costs related to internal consolidation within the district or intermediate district. All of the following apply to grants under this subsection:

(a) The department shall allow grants for applicants that have already taken actions for internal consolidation within the previous 2 years and grants for applicants that have not yet begun internal consolidation activities.

(b) The department shall prioritize applications from districts and intermediate districts that meet any of the following criteria:

(i) Are in an opportunity index band, as determined under section 6(21), of 3 or higher.

(ii) Are an intermediate district for which the percentage of pupils in membership who were determined to be economically disadvantaged in the immediately preceding fiscal year is equal to or greater than the minimum percentage for a district or public school academy to be in an opportunity index band, as determined under section 6(21), of 3 or higher.

(iii) Are experiencing declining enrollment.

(iv) Have no ability to issue bonds for infrastructure needs, or have made a good-faith effort, as determined by the department, to issue bonds for infrastructure needs.

(c) Grants may be used for operational expenses related to internal consolidation and for infrastructure needs. Infrastructure needs may include, but are not limited to, the removal of buildings.

(3) From the amount allocated in subsection (1), $35,000,000.00 is allocated as follows:

(a) $15,000,000.00 to Detroit Public Schools Community District to support the construction of the Cooley High School athletic complex.

(b) $10,000,000.00 to Wayne RESA to support the construction of an academic and professional building in the city of Wayne.

(c) $5,000,000.00 to Beecher Community School District to support the construction of a high school in the district.

(d) $4,000,000.00 to Taylor School District for costs related to a new high school in the district.

(e) $1,000,000.00 to the School District of the City of Hamtramck to support the costs of building infrastructure upgrades and maintenance.

(4) Subject to the provisions of this subsection, in addition to the money appropriated in section 11, from the state school aid fund, there is appropriated and allocated for 2025-2026 an amount not to exceed $4,000,000.00 to Taylor School District for costs related to a new high school in the district or for other infrastructure purposes. The appropriation and allocation under this subsection is contingent on the effective issuance of a directive by the budget director, pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a, to lapse $4,000,000.00 of remaining funding from a work project that was established under this section in 2023-2024. The amount allocated under this subsection may not exceed the amount lapsed from the work project referenced in the immediately preceding sentence.

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

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History: Add. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1612e THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1612e.amended *****

388.1612e Infrastructure grants; needs under a statewide school facilities study.

Sec. 12e.

(1) From the school consolidation and infrastructure fund money appropriated in section 11, there is allocated for 2025-2026 only an amount estimated at $100,000,000.00 for grants to districts and intermediate districts for infrastructure needs as described in this section.

(2) Districts and intermediate districts must apply on a competitive basis for funding in a form and manner determined by the department.

(3) If the amount allocated under subsection (1) is insufficient to fully fund awards under this section, there is appropriated from the school consolidation and infrastructure fund described in section 11x the amount necessary to fully fund these awards, or the maximum available in the fund, whichever is less. The state budget director shall provide notification to the house and senate appropriations subcommittees on school aid and the house and senate fiscal agencies regarding any additional appropriation described in this subsection.

(4) The department shall prioritize applications from districts and intermediate districts that meet any of the following criteria:

(a) Are in an opportunity index band, as described in section 31a, of 4 or higher.

(b) Are an intermediate district for which the percentage of pupils in membership who were determined to be economically disadvantaged in the immediately preceding fiscal year is equal to or greater than the minimum percentage for a district or public school academy to be in an opportunity index band, as described in section 31a, of 4 or higher.

(c) Have infrastructure needs related to HVAC systems or roofing.

(d) Have no ability to issue bonds for infrastructure needs, or have made a good-faith effort, as determined by the department, to issue bonds for infrastructure needs.

(5) Funds awarded in subsection (4) may be used only to address infrastructure needs that were identified in the statewide school facilities study issued pursuant to section 11y.

(6) The funds allocated under this section for 2025-2026 are a work project appropriation, and any unexpended funds for 2025-2026 are carried forward into 2026-2027. The purpose of the work project is to fund district and intermediate district infrastructure needs. The estimated completion date of the work project is September 30, 2030.

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

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History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1612e.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1612e.amended Infrastructure grants; needs under a statewide school facilities study.

Sec. 12e.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount estimated at $50,000,000.00 for grants to districts and intermediate districts for infrastructure needs, including, but not limited to, demolition of vacant buildings as described in this section.

(2) Districts and intermediate districts must apply on a competitive basis for funding in a form and manner determined by the department.

(3) If the amount allocated under subsection (1) is insufficient to fully fund awards under this section, there is appropriated from the school consolidation and infrastructure fund described in section 11x the amount necessary, but not to exceed $50,000,000.00, to fully fund these awards, or the maximum available in the fund, whichever is less. The state budget

director shall provide notification to the house and senate appropriations subcommittees on school aid and the house and senate fiscal agencies regarding any additional appropriation described in this subsection.

(4) The department shall prioritize applications from districts and intermediate districts that meet any of the following criteria:

(a) Are in an opportunity index band, as determined under section 6(21), of 4 or higher.

(b) Are an intermediate district for which the percentage of pupils in membership who were determined to be economically disadvantaged in the immediately preceding fiscal year is equal to or greater than the minimum percentage for a district or public school academy to be in an opportunity index band, as determined under section 6(21), of 4 or higher.

(c) Have infrastructure needs identified by the statewide school facilities study under the former section 11y as being critical needs. A district or intermediate district must demonstrate that the needs described in this subdivision affect the health, safety, or well-being of students.

(d) Have no ability to issue bonds for infrastructure needs, or have made a good-faith effort, as determined by the department, to issue bonds for infrastructure needs.

(5) Funds awarded in subsection (4) may be used only to address infrastructure needs that were identified as critical needs in the statewide school facilities study issued pursuant to the former section 11y.

(6) From the state school aid fund money allocated in subsection (1), there is allocated for 2026-2027 an amount not to exceed $8,800,000.00 for grants to districts to cover costs associated with the demolition of vacant buildings on property owned by the district. All of the following apply to grants awarded under this subsection:

(a) A district shall apply for funding under this section in a form and manner determined by the department.

(b) The department shall prioritize applicants that have lost more than 80% of their pupil membership since 2002-2003 with the greatest number of vacant properties.

(c) Notwithstanding section 18a, funds allocated for programs described in this subsection may be available for expenditure until September 30, 2029. A recipient of funding for a program described in this subsection must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2029.

(7) A recipient of funds under subsection (6) must not be awarded more than $10,000,000.00 in additional grants under this section.

(8) The funds allocated under this section for 2026-2027 are a work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028. The purpose of the work project is to fund district and intermediate district infrastructure needs. The estimated completion date of the work project is September 30, 2029.

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

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History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1613 Apportionments and limitations of apportionments; basis; counting pupil membership and professionals.

Sec. 13.

Except as otherwise provided in this act, the apportionments and limitations of the apportionments made under this act shall be made on the membership and number of teachers

and other professionals approved by the superintendent employed as of the pupil membership count day of each year and on the taxable value and the operating millage of each district for the calendar year. In addition, a district maintaining school during the entire year, as provided in section 1561 of the revised school code, MCL 380.1561, shall count memberships and educational personnel pursuant to rules promulgated by the superintendent and shall report to the center as required by state and federal law.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 95, Imd. Eff. July 13, 1993 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”

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388.1614 Defective data; duties of department.

Sec. 14.

If the data from an intermediate district or district upon which a statement of the amount to be disbursed or paid are determined to be defective or incomplete, making it impracticable to ascertain the apportionment to be disbursed or paid, the department shall withhold the amount of the apportionment that cannot be ascertained until the department is able to ascertain by the best evidence available the facts upon which the ratio and amount of the apportionment depend, and then shall make the apportionment accordingly.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

***** 388.1615 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1615.amended *****

388.1615 Apportionment of deficiency; state aid overpayments to districts; deduction or payment due to adjustment as result of audit or information; incorrect payment; adjustments for educator certification violations; audits; funding expenditures caused by write-off of prior year accruals; additional appropriation.

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 district has received more than its proper apportionment, the department, upon satisfactory proof, shall deduct the excess in the next apportionment. Notwithstanding any other provision in this article, state aid overpayments to a district, other

than overpayments in payments for special education or special education transportation, may be recovered from any payment made under this article other than a special education or special education transportation payment, 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. State aid overpayments made in special education or special education transportation payments may be recovered from subsequent special education or special education transportation payments, 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.

(2) 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 insufficient 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 departments 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 2024-2025 and 2025-2026 for obligations in excess of applicable

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appropriations an amount equal to the collection of overpayments, but not to exceed amounts available from overpayments.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2012, Act 286, Imd. Eff. Aug. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Imd. Eff. June 17, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1615.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1615.amended Apportionment of deficiency; state aid overpayments to districts; deduction or payment due to adjustment as result of audit or information; incorrect payment; member adjustments for educator misplacement; audits; funding expenditures caused by write-off of prior year accruals; additional appropriation.

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 district has received more than its proper apportionment, the department, upon satisfactory proof, shall deduct the excess in the next apportionment. Notwithstanding any other provision in this article, state aid overpayments to a district, other than overpayments in payments for special education or special education transportation, may be recovered from any payment made under this article other than a special education or special education transportation payment, 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. State aid overpayments made in special education or special education transportation payments may be recovered from subsequent special education or special education transportation payments, 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.

(2) 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 insufficient 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.

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(4) A membership adjustment must not be made under this section based on an educator misplacement, as that term is defined in section 163, that is subject to a state aid adjustment under section 163. For an educator misplacement described in section 163, the penalties and remedies provided under section 163 are the exclusive state aid adjustment for that misplacement.

(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 departments 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 2026-2027 for obligations in excess of applicable appropriations an amount equal to the collection of overpayments, but not to exceed amounts available from overpayments.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2012, Act 286, Imd. Eff. Aug. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Imd. Eff. June 17, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268

of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1616.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1616.added Contractual prohibition; conflict of interest.

Sec. 16.

The department may not enter into a state contract with an individual if an employee of the department may financially benefit from the contract.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1616, which pertained to allowance greater than actual amounts paid prohibited, was repealed by Act 300 of 1996, Eff. Oct. 1, 1996.

388.1617 Repealed. 1992, Act 148, Eff. Aug. 1, 1992.

Compiler's Notes: The repealed section pertained to amount to be distributed in installments to districts.

388.1617a Withholding payment district or intermediate district entitled to receive; extent; plan for financing outstanding obligation defaulted upon by district or intermediate district; use of amounts withheld; agreement assigning or pledging payment; effect of emergency manager or deficit elimination plan; indebtedness of state not created; "trustee of a pooled arrangement" defined; approval or disapproval of trust; allocation contingent upon compliance with section.

Sec. 17a.

(1) The department may withhold all or part of any payment that a district or intermediate district is entitled to receive under this article to the extent the withholdings are a component part of a plan, developed and implemented pursuant to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, the local financial stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575, section 1356 of the revised school code, MCL 380.1356, or other statutory authority, for financing an outstanding obligation upon which the district or intermediate district defaulted or for other financial obligations of the district or intermediate district. Amounts withheld shall be used to pay, on behalf of the district or intermediate district, unpaid amounts or subsequently due amounts, or both, of principal and interest on the outstanding obligation upon which the district or intermediate district defaulted.

(2) The state treasurer may withhold all or part of any payment that a district or intermediate district is entitled to receive under this article to the extent authorized or required under section 15 of the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1935, the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, the local

financial stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575, section 1356 of the revised school code, MCL 380.1356, or other statutory authority.

(3) Under an agreement entered into by a district or intermediate district assigning all or a portion of the payment that it is eligible to receive under this article to the Michigan finance authority or to the trustee of a pooled arrangement or pledging the amount for payment of an obligation it incurred with the Michigan finance authority or with the trustee of a pooled arrangement, the state treasurer shall transmit to the Michigan finance authority or a trustee designated by the Michigan finance authority or to the trustee of a pooled arrangement or other designated depository the amount of the payment that is assigned or pledged under the agreement.

(4) If a district or intermediate district for which an emergency manager is in place under the local financial stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575, or that has an approved deficit elimination plan or an approved enhanced deficit elimination plan under the revised school code, enters into or has entered into an agreement described in subsection (3) pursuant to section 1225(2) of the revised school code, MCL 380.1225, whether the obligation was issued before or after the effective date of this subsection, the portion of state school aid paid or to be paid on behalf of the district or intermediate district directly to the Michigan finance authority, or to a trustee designated by the Michigan finance authority, for the sole purpose of paying the principal of and interest on the obligation is subject to a lien and trust that is a statutory lien and trust, paramount and superior to all other liens and interests of any kind, for the sole purpose of paying the principal of and interest on the obligation. The statutory lien and trust applies to the state school aid received or to be received by the Michigan finance authority, or trustee designated by the Michigan finance authority, on behalf of the district or intermediate district, immediately upon the time when the state school aid is allocated to the district or intermediate district, but is subject to any subsequent reduction of the state school aid allocation by operation of law or executive order. The lien and trust imposed by this section with respect to state school aid has a priority as established in the agreement, except that the agreement shall not impair any existing lien and trust previously created pursuant to this section, including any lien and trust applicable to a multi-year repayment agreement under section 1225 of the revised school code, MCL 380.1225. Except as otherwise provided in this subsection, the lien and trust created under this subsection for the benefit of holders of the obligation issued pursuant to this section is valid and binding against a party having a claim of any kind in tort, contract, or otherwise against the district or intermediate district that has issued the obligation secured by a pledge of state school aid pursuant to this section, regardless of whether that party has notice of the pledge. A pledge made pursuant to this section for the benefit of the holders of obligations or others is perfected without delivery, recording, or notice. The state school aid paid or to be paid on behalf of a district or intermediate district to the Michigan finance authority, or trustee designated by the Michigan finance authority, shall be held in trust for the sole benefit of the holders of the obligation issued pursuant to this section or section 1225 of the revised school code, MCL 380.1225, and is exempt from being levied upon, taken, sequestered, or applied toward paying the debts or liabilities of the district or intermediate district other than for payment of the obligation to which the lien applies. However, nothing in this subsection alters the ability of the state treasurer to withhold state school aid from a district or intermediate district as provided by law.

(5) Notwithstanding the payment dates prescribed by this article for distributions under this article, the state treasurer may advance all or part of a payment that is dedicated for distribution or for which the appropriation authorizing the payment has been made if and to

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the extent, under the terms of an agreement entered into by a district or intermediate district and the Michigan finance authority, the payment that the district or intermediate district is eligible to receive has been assigned to or pledged for payment of an obligation it incurred with the Michigan finance authority.

(6) This section does not require the state to make an appropriation to any school district or intermediate school district and shall not be construed as creating an indebtedness of the state, and any agreement made pursuant to this section shall contain a statement to that effect.

(7) As used in this section, "trustee of a pooled arrangement" means the trustee of a trust approved by the state treasurer and, subject to the conditions and requirements of that approval, established for the purpose of offering for sale, as part of a pooled arrangement, certificates representing undivided interests in notes issued by districts or intermediate districts under section 1225 of the revised school code, MCL 380.1225.

(8) If a trustee applies to the state treasurer for approval of a trust for the purposes of this section, the state treasurer shall approve or disapprove the trust within 10 days after receipt of the application.

(9) An allocation to a district or intermediate district under this article is contingent upon the district's or intermediate district's compliance with this section.

History: Add. 1983, Act 37, Imd. Eff. May 10, 1983 ;-- Am. 1985, Act 142, Eff. Jan. 13, 1986 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2002, Act 71, Imd. Eff. Mar. 15, 2002 ;-- Am. 2005, Act 95, Imd. Eff. July 20, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2012, Act 2, Imd. Eff. Feb. 7, 2012 ;-- Am. 2013, Act 97, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 114, Imd. Eff. July 7, 2015

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

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388.1617b Amounts to be distributed in installments to districts; electronic files; payments; warrant; adjustments; grant payments; installment schedule; advance release of funds.

Sec. 17b.

(1) Not later than October 20, November 20, December 20, January 20, February 20, March 20, April 20, May 20, June 20, July 20, and August 20, the department shall prepare electronic files of the amount to be distributed under this act in the installment to the districts and intermediate districts and deliver the electronic files to the state treasurer, and the state treasurer shall pay the installments on each of those dates or, if the date is not a business day, on the next business day following that date. Except as otherwise provided in this act, the portion of the district's or intermediate district's state fiscal year entitlement to be included in each installment shall be 1/11. A district or intermediate district shall accrue the payments received in July and August to the school fiscal year ending the immediately preceding June 30.

(2) The state treasurer shall make payment under this section by drawing a warrant in favor of the treasurer of each district or intermediate district for the amount payable to the district or intermediate district according to the electronic files and delivering the warrant to the treasurer

of each district or intermediate district, or if the state treasurer receives a written request by the treasurer of the district or intermediate district specifying an account, by electronic funds transfer to that account of the amount payable to the district or intermediate district according to the electronic files. The department may make adjustments in payments made under this section through additional payments when changes in law or errors in computation cause the regularly scheduled payment to be less than the amount to which the district or intermediate district is entitled pursuant to this act.

(3) Except as otherwise provided in this act, grant payments to districts and intermediate districts under this act shall be paid according to the installment schedule under subsection (1).

(4) Upon the written request of a district or intermediate district and the submission of proof satisfactory to the department of a need of a temporary and nonrecurring nature, the superintendent, with the written concurrence of the state treasurer and the state budget director, may authorize an advance release of funds due a district or intermediate district under this act. An advance authorized under this subsection shall not cause funds to be paid to a district or intermediate district more than 30 days earlier than the established payment date for those funds.

History: Add. 1992, Act 148, Eff. Aug. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2005, Act 150, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 92, Imd. Eff. Oct. 1, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 92 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for the fiscal period beginning October 1, 2007 and ending October 31, 2007 is estimated at $1,052,305,700.00 and state appropriations to be paid to local units of government for the fiscal period beginning October 1, 2007 and ending October 31, 2007 are estimated at $1,044,700,000.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."

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388.1617c Grants to districts, intermediate districts, and eligible entities; accessibility; review by state board.

Sec. 17c.

(1) Except as otherwise provided under this article, the department shall do both of the following for funds appropriated under this article for grants distributed by the department to districts, intermediate districts, and eligible entities:

(a) Open the grant application for funds appropriated for the immediately succeeding fiscal year by not later than September 1 of the current fiscal year or 30 calendar days after the state school aid budget for the immediately succeeding fiscal year is enacted into law, whichever

occurs later. The department shall also provide to districts, intermediate districts, and eligible entities, and post on its publicly accessible website, the grant application and award process schedule and the list of state grants and contracts available in the immediately succeeding fiscal year.

(b) Publish grant awards for funds appropriated in the current fiscal year by not later than December 1 of the current fiscal year.

(2) Information for grants awarded from funds appropriated under this article for the immediately succeeding fiscal year must be placed on the state board agenda in August of the current fiscal year or in the month immediately following the month in which the state school aid budget for the immediately succeeding fiscal year is enacted into law, whichever occurs later.

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History: Add. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020

Compiler's Notes: Former MCL 388.1617c, which pertained to grant payments, was repealed by Act 130 of 1995, Eff. Oct. 1, 1995.

***** 388.1618 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1618.amended *****

388.1618 Applying money received under article; determining reasonableness of expenditures; withholding apportionment for violation; adoption of annual budget; availability of information on website; submission of annual comprehensive financial data; report; Michigan public school accounting manual chart of accounts; filing special education actual cost report and transportation expenditure report; review and update of pupil accounting and pupil auditing manuals; retention of property by public school academy; failure to comply with subsections (4), (5), (6), (7), and (12); inconsistent financial data; failure to comply with subsection (2); report on virtual learning per-pupil costs; "vendor type" defined; allocation contingent upon compliance with section; report of allocations.

Sec. 18.

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

(2) A district or intermediate district shall adopt an annual budget in a manner that complies with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a. Within

15 days after a district board adopts its annual operating budget for the following school fiscal year, or after a district board adopts a subsequent revision to that budget, the district shall make all of the following available through a link on its website homepage, or may make the information available through a link on its intermediate district's website homepage, in a form and manner prescribed by the department:

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

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

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

(A) Salaries and wages.

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

(C) Retirement benefit costs.

(D) All other personnel costs.

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

(A) Instruction.

(B) Support services.

(C) Business and administration.

(D) Operations and maintenance.

(c) Links to all of the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) If a district operates in a single building with fewer than 700 full-time equated pupils, if the district has stable membership, and if the error rate of the immediately preceding 2 pupil accounting field audits of the district is less than 2%, the district may have a pupil accounting field audit conducted biennially but must continue to have desk audits for each pupil count. The auditor must document compliance with the audit cycle in the pupil auditing manual. As used in this subdivision, "stable membership" means that the district's membership for the current fiscal year varies from the district's membership for the immediately preceding fiscal year by less than 5%.

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

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

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

(i) A district shall file the annual financial audit reports with the intermediate district and the department. If the issuance of single audits is delayed for the 2024-25 school year due to a late issuance of a Compliance Supplement, the single audit portion of that audit must be filed within 30 days of the issuance of the Compliance Supplement by OMB.

(ii) The intermediate district shall file the annual financial audit reports for the intermediate district with the department. If the issuance of single audits is delayed for the 2024-25 school year due to a late issuance of a Compliance Supplement, the single audit portion of that audit must be filed within 30 days of the issuance of the Compliance Supplement by OMB.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(16) The department shall annually submit to the senate and house subcommittees on school aid and to the senate and house standing committees on education an itemized list of allocations under this article to any association or consortium consisting of associations in the immediately preceding fiscal year. The report must detail the recipient or recipients, the amount allocated, and the purpose for which the funds were distributed.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 414, Eff. Jan. 1, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2014, Act 476, Eff. Mar. 31, 2015 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 114, Imd. Eff. July 7, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am.

2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

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***** 388.1618.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1618.amended Applying money received under article; determining reasonableness of expenditures; withholding apportionment for violation; adoption of annual budget; availability of information on website; submission of annual comprehensive financial data; report; Michigan public school accounting manual chart of accounts; filing special education actual cost report and transportation expenditure report; review and update of pupil accounting and pupil auditing manuals; retention of property by public school academy; failure to comply with subsections (4), (5), (6), (7), and (12); inconsistent financial data; failure to comply with subsection (2); report on virtual learning per-pupil costs; "vendor type" defined; allocation contingent upon compliance with section; report of allocations.

Sec. 18.

(1) Except as provided in another section of this article, each district or other entity shall apply the money received by the district or entity under this article to salaries and other compensation of teachers and other employees, tuition, transportation, lighting, heating, ventilation, water service, the purchase of textbooks, other supplies, and any other school operating expenditures defined in section 7. However, not more than 20% of the total amount received by a district under sections 22a and 22b or received by an intermediate district under section 81 may be transferred by the board to either the capital projects fund or to the debt retirement fund for debt service. A district or other entity shall not apply or take the money for

a purpose other than as provided in this section. The department shall determine the reasonableness of expenditures and may withhold from a recipient of funds under this article the apportionment otherwise due upon a violation by the recipient. A district must not be prohibited or limited from using funds appropriated or allocated under this article that are permitted for use for noninstructional services to contract or subcontract with an intermediate district, third party, or vendor for the noninstructional services.

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

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

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

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

(A) Salaries and wages.

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

(C) Retirement benefit costs.

(D) All other personnel costs.

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

(A) Instruction.

(B) Support services.

(C) Business and administration.

(D) Operations and maintenance.

(c) Links to all of the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) If a district operates in a single building with fewer than 700 full-time equated pupils, if the district has stable membership, and if the error rate of the immediately preceding 2 pupil accounting field audits of the district is less than 2%, the district may have a pupil accounting field audit conducted biennially but must continue to have desk audits for each pupil count. The auditor must document compliance with the audit cycle in the pupil auditing manual. As used in this subdivision, "stable membership" means that the district's membership for the current fiscal year varies from the district's membership for the immediately preceding fiscal year by less than 5%.

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

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

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

(i) A district shall file the annual financial audit reports with the intermediate district and the department. If the issuance of single audits is delayed for the 2024-25 school year due to a late issuance of a Compliance Supplement, the single audit portion of that audit must be filed within 30 days of the issuance of the Compliance Supplement by OMB.

(ii) The intermediate district shall file the annual financial audit reports for the intermediate district with the department. If the issuance of single audits is delayed for the 2024-25 school

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year due to a late issuance of a Compliance Supplement, the single audit portion of that audit must be filed within 30 days of the issuance of the Compliance Supplement by OMB.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(16) The department shall annually submit to the senate and house subcommittees on school aid and to the senate and house standing committees on education an itemized list of allocations under this article to any association or consortium consisting of associations in the immediately preceding fiscal year. The report must detail the recipient or recipients, the amount allocated, and the purpose for which the funds were distributed.

(17) If the legislature has not enacted and the governor has not approved the general appropriations act for state school aid for the upcoming fiscal year on or before July 1, the department shall not withhold funds or impose any penalty under subsection (11) against a

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district or intermediate district for failure to comply with subsection (2) until 30 days after the enactment of the general appropriations act for state school aid for that fiscal year.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 414, Eff. Jan. 1, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2014, Act 476, Eff. Mar. 31, 2015 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 114, Imd. Eff. July 7, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1618a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1618a.amended *****

388.1618a Grant funds to be expended by end of fiscal year; failure of grant recipient to expend funds; report; return of unexpended funds.

Sec. 18a.

Except as otherwise provided in this article, grant funds awarded and allotted to a district, intermediate district, or other entity, unless otherwise specified in this article, must be

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expended by the grant recipient before the end of the fiscal year immediately following the fiscal year in which the funds are received. Except as otherwise provided in this article, if a grant recipient does not expend the funds received under this article before the end of the fiscal year in which the funds are received, the grant recipient shall submit a report to the department not later than November 1 after the fiscal year in which the funds are received indicating whether it expects to expend those funds during the fiscal year in which the report is submitted. Except as otherwise provided in this article, 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 after the fiscal year in which the funds are received.

History: Add. 1992, Act 148, Eff. Aug. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2015, Act 85, Imd. Eff. June 17, 2015 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sourcesEnacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."

***** 388.1618a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1618a.amended Grant funds to be expended by end of fiscal year; failure of grant recipient to expend funds; report; return of unexpended funds; applicability to work projects only.

Sec. 18a.

(1) This subsection applies only to grant funds awarded and allotted from appropriations in this article that have not been designated as a work project appropriation under section 451a of the management and budget act, 1984 PA 431, MCL 1451a. Except as otherwise provided in this article, grant funds described in this subsection that are awarded and allotted to a district, intermediate district, or other entity, unless otherwise specified in this article, must be expended by the grant recipient before the end of the fiscal year immediately following the fiscal year in which the funds are received. Except as otherwise provided in this article, if a grant recipient does not expend the funds received under this article before the end of the fiscal year in which the funds are received, the grant recipient shall submit a report to the department not later than November 1 after the fiscal year in which the funds are received indicating whether it expects to expend those funds during the fiscal year in which the report is submitted. Except as otherwise provided in this article, 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 after the fiscal year in which the funds are received.

(2) This subsection applies only to grant funds awarded and allotted from appropriations in this article that have been designated as a work project appropriation under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a. Except as otherwise provided in this article, grant funds described in this subsection that are awarded and allotted to a district, intermediate district, or other entity, unless otherwise specified in this article, must be expended by the grant recipient before the end of the fiscal year immediately following the

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fiscal year in which the work project is closed under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a. Except as otherwise provided in this article, 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 after the fiscal year in which the work project is closed.

History: Add. 1992, Act 148, Eff. Aug. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2015, Act 85, Imd. Eff. June 17, 2015 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sourcesEnacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."

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388.1618b Property of public school academy to be transferred to this state.

Sec. 18b.

(1) Property of a public school academy that was acquired substantially with funds appropriated under this article shall be transferred to this state by the public school academy corporation if any of the following occur:

(a) The public school academy has been ineligible to receive funding under this article for 18 consecutive months.

(b) The public school academy's contract has been revoked or terminated for any reason.

(c) The public school academy's contract has expired and has not been reissued by the authorizing body.

(2) A public school academy corporation shall initiate the process of transferring property to this state as required under subsection (1) within 30 days after the occurrence of the event that triggers the process under subsection (1).

(3) Property required to be transferred to this state under this section includes title to all real and personal property, interests in real or personal property, and other assets owned by the public school academy corporation that were substantially acquired with funds appropriated under this article.

(4) The state treasurer, or his or her designee, is authorized to dispose of property transferred to this state under this section. Except as otherwise provided in this section, the state treasurer shall deposit in the state school aid fund any money included in that property and the net proceeds from the sale of the property or interests in property, after payment by the state treasurer of any public school academy debt secured by the property or interest in property.

(5) This section does not impose any liability on this state, any agency of this state, or an authorizing body for any debt incurred by a public school academy.

(6) As used in this section and section 18c, "authorizing body" means an authorizing body defined under section 501 or 1311b of the revised school code, MCL 380.501 and 380.1311b.

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013
Compiler's Notes: Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance

with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."

388.1618c Contract entered into by public school academy and third party.

Sec. 18c.

Any contract, mortgage, loan, or other instrument of indebtedness entered into by a public school academy receiving funds under this article and a third party does not constitute an obligation, either general, special, or moral, of this state or of an authorizing body. The full faith and credit or the taxing power of this state or any agency of this state, or the full faith and credit of an authorizing body, shall not be pledged for the payment of any contract, mortgage, loan, or other instrument of indebtedness entered into by a public school academy.

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017

388.1618d Educator compensation increases.

Sec. 18d.

It is the intent of the legislature that, in any fiscal year that the target foundation allowance in section 20 is increased, a district use a portion of the increase to make permanent increases to the compensation of educators and staff within the district, with priority given to increasing starting salaries.

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History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: Former MCL 388.1618d, which pertained to claim of debt or financial obligation, was repealed by Act 158 of 2003, Eff. Oct. 1, 2003.

***** 388.1619 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1619.amended *****

388.1619 Compliance with state and federal reporting requirements; report of graduation and dropout rates; appeal; educational personnel; limitation; failure to comply with requirements; list of school or district accountability designations; appeal of determination; publication of list; implementation of statewide standard reporting requirements.

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, must 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 must 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, 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.

(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

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begin completion of the reporting requirement under this subsection by not later than the 2024-2025 fiscal year.

History: Add. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2002, Act 191, Eff. Oct. 1, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2016, Act 533, Eff. Apr. 9, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: For transfer of powers, duties, functions, and responsibilities of the department of education regarding educational reports to the center for educational performance and information by type II transfer, see E.R.O. No. 2000-6, compiled at MCL 388.996 of the Michigan compiled laws.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1619.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1619.amended Compliance with state and federal reporting requirements; report of graduation and dropout rates; appeal; educational personnel; limitation; failure to comply with requirements; list of school or district accountability designations; appeal of determination; publication of list; implementation of statewide standard reporting requirements.

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

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by the center, must 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 must 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 change 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, vacancy start and end dates, reasons for the vacancy, and reasons for the vacancy termination.

(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

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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 completion of the reporting requirement under this subsection by not later than the 2024-2025 fiscal year.

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History: Add. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2002, Act 191, Eff. Oct. 1, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2016, Act 533, Eff. Apr. 9, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: For transfer of powers, duties, functions, and responsibilities of the department of education regarding educational reports to the center for educational performance and information by type II transfer, see E.R.O. No. 2000-6, compiled at MCL 388.996 of the Michigan compiled laws.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

388.1619a Reports.

Sec. 19a.

All of the following apply to reports required by the superintendent, department, or center to be submitted under this act:

(a) The superintendent, department, or center shall not require, or promulgate a rule requiring, a new report to be submitted unless state or federal law specifically requires or authorizes the report.

(b) The superintendent, department, or center shall not require, or promulgate a rule requiring, any modifications or additions to a report that, as of the effective date of this section, is already required to be submitted unless 1 or both of the following apply:

(i) State or federal law specifically requires or authorizes the modification or addition.

(ii) The modification or addition will reduce or eliminate a reporting requirement.

(c) If the superintendent, department, or center requires, or promulgates a rule requiring, a new report or additional information to be submitted under the conditions specified under subdivisions (a) and (b), the superintendent, department, or center shall ensure that the new report or additional information may be submitted electronically.

History: Add. 2016, Act 533, Eff. Apr. 9, 2017
Compiler's Notes: Former MCL 388.1619a, which pertained to core curriculum, was repealed by Act 207 of 1990, Eff. Oct. 1, 1990.Section 3 of Act 207 of 1990 purported to repeal MCL 388.1619a to 388.1619d. However, MCL 388.1619d, as added by Act 197 of 1989, did not take effect pursuant to the terms of subsection (3) of that section.

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388.1619b Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to reports on the efficacy and usefulness of certain program.

388.1619c Repealed. 1990, Act 207, Eff. Oct. 1, 1990.

Compiler's Notes: Section 3 of Act 207 of 1990 purported to repeal MCL 388.1619a to 388.1619d. However, MCL 388.1619d, as added by Act 197 of 1989, did not take effect pursuant to the terms of subsection (3) of that section.The repealed section pertained to standards for accreditation.

***** 388.1620 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1620.amended *****

388.1620 Target foundation allowance; calculations; allocations; pupil membership factor, revenue adjustment factor, and index; reduced foundation allowance or per-pupil payment calculation; definitions.

Sec. 20.

(1) For 2025-2026, the target foundation allowance is $10,050.00.

(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 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 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).

(c) For a district that had a foundation allowance in the immediately preceding fiscal year that was less 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 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).

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

(4) Except as otherwise provided in this subsection, 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)(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.

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(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 allocation under section 20m.

(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 the target foundation allowance specified in subsection (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, $10,050.00. 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) 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 51e.

(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:

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(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 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 particular calculation is made.

(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).

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(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.

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History: Add. 1993, Act 336, Eff. Mar. 15, 1994 ;-- Am. 1994, Act 172, Imd. Eff. June 17, 1994 ;-- Am. 1994, Act 283, Imd. Eff. July 12, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 141, Eff. Jan. 1, 2004 ;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003 ;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 120, Imd. Eff. Apr. 14, 2006 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2008, Act 561, Imd. Eff. Jan. 16, 2009 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 97, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2016, Act 313, Eff. Oct. 6, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: The words “1/3 of” in subsection (20)(a)(i)(Q), as amended by Act 283 of 1994, were vetoed by the governor on July 9, 1994.The last sentence of subsection (9), and subsections (18) and (19), as amended by Act 360 of 1994, were vetoed by the governor on December 22, 1994.Subsection (11), as amended by Act 130 of 1995, was vetoed by the governor on June 30, 1995.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes

under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Subsection (20), as amended by Act 158 of 2003, was vetoed by the governor on August 11, 2003. The text of subsection (20) set forth above in this section (MCL 388.1620) derives from Act 141 of 2003. In the veto message accompanying her veto of certain items in Enrolled House Bill 4401 (Act 158 of 2003), the governor stated, "I have vetoed amendatory language in Section 20(20) that stops the annual $15 million supplemental payment to Detroit Public Schools at the end of fiscal year 2003. Existing language clearly indicates that this supplemental funding is intended to continue as long as the reform board remains in place. I intend to honor that commitment."Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Subsection (25), as amended by Act 110 of 2010, was vetoed by the governor on July 7, 2010.Enacting section 1 of Act 130 of 2013 provides:"Enacting section 1. This amendatory act takes effect October 1, 2013."In subsection (15)(j), as amended by Act 58 of 2019, the following phrases "as calculated by adding the highest per-pupil allocation" and "plus the difference between twice the amount of the difference between the target foundation allowance for the current fiscal year and the target foundation allowance for the immediately preceding fiscal year and [(the amount of the difference between the target foundation allowance for the current fiscal year and the target foundation allowance for the immediately preceding fiscal year minus $40.00) times (the difference between the highest per-pupil allocation among all public school academies for the immediately preceding fiscal year and the minimum foundation allowance for the immediately preceding fiscal year) divided by the difference between the target foundation allowance for the current fiscal year and the minimum foundation

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allowance for the immediately preceding fiscal year.] For the purposes of this subdivision, for 2019-2020, the maximum public school academy allocation is $8,111.00." were vetoed by the governor on September 30, 2019.

***** 388.1620.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1620.amended Target foundation allowance; calculations; allocations; pupil membership factor, revenue adjustment factor, and index; reduced foundation allowance or per-pupil payment calculation; definitions.

Sec. 20.

(1) For 2026-2027, the target foundation allowance is $10,300.00.

(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 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 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).

(c) For a district that had a foundation allowance in the immediately preceding fiscal year that was less 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 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).

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

(4) Except as otherwise provided in this subsection, the state portion of a district's foundation allowance is an amount equal to the district's foundation allowance or the target

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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)(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. Before the fiscal year ending September 30, 2027, 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. Beginning with the fiscal year ending September 30, 2027, it is the intent of the legislature that the previous sentence no longer applies and the taxable value per membership pupil of property in the community district used for the purposes of this subsection includes the taxable value of property within the geographic area of the community district on or after July 1, 2026 and thereafter.

(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 allocation under section 20m.

(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 the target foundation allowance specified in subsection (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, $10,300.00. 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.

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(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) 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 51e.

(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 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

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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 particular calculation is made.

(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.

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History: Add. 1993, Act 336, Eff. Mar. 15, 1994 ;-- Am. 1994, Act 172, Imd. Eff. June 17, 1994 ;-- Am. 1994, Act 283, Imd. Eff. July 12, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 141, Eff. Jan. 1, 2004 ;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003 ;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 120, Imd. Eff. Apr. 14, 2006 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2008, Act 561, Imd. Eff. Jan. 16, 2009 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 97, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2016, Act 313, Eff. Oct. 6, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: The words "1/3 of" in subsection (20)(a)(i)(Q), as amended by Act 283 of 1994, were vetoed by the governor on July 9, 1994.The last sentence of subsection (9), and subsections (18) and (19), as amended by Act 360 of 1994, were vetoed by the governor on December 22, 1994.Subsection (11), as amended by Act 130 of 1995, was vetoed by the governor on June 30, 1995.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Subsection (20), as amended by Act 158 of 2003, was vetoed by the governor on August 11, 2003. The text of subsection (20) set forth above in this section (MCL 388.1620) derives from Act 141 of 2003. In the veto message accompanying her veto of certain items in Enrolled House Bill 4401 (Act 158 of 2003), the governor stated, "I have vetoed amendatory language in Section 20(20) that stops the annual $15 million supplemental payment to Detroit Public Schools at the end of fiscal year 2003. Existing language clearly indicates that this supplemental funding is intended to continue as long as the reform board remains in place. I intend to honor that commitment."Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state

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constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Subsection (25), as amended by Act 110 of 2010, was vetoed by the governor on July 7, 2010.Enacting section 1 of Act 130 of 2013 provides:"Enacting section 1. This amendatory act takes effect October 1, 2013."In subsection (15)(j), as amended by Act 58 of 2019, the following phrases "as calculated by adding the highest per-pupil allocation" and "plus the difference between twice the amount of the difference between the target foundation allowance for the current fiscal year and the target foundation allowance for the immediately preceding fiscal year and [(the amount of the difference between the target foundation allowance for the current fiscal year and the target foundation allowance for the immediately preceding fiscal year minus $40.00) times (the difference between the highest per-pupil allocation among all public school academies for the immediately preceding fiscal year and the minimum foundation allowance for the immediately preceding fiscal year) divided by the difference between the target foundation allowance for the current fiscal year and the minimum foundation allowance for the immediately preceding fiscal year.] For the purposes of this subdivision, for 2019-2020, the maximum public school academy allocation is $8,111.00." were vetoed by the governor on September 30, 2019.

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388.1620a Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to determination of district's combined state and local revenue per membership pupil.

388.1620b Repealed. 2000, Act 297, Eff. Oct. 1, 2000.

Compiler's Notes: The repealed section pertained to allocation for 1998-99.

388.1620c Repealed. 1997, Act 142, Imd. Eff. Nov. 19, 1997.

Compiler's Notes: The repealed section pertained to additional payments to districts and public school academies for 1997-98.

***** 388.1620d THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1620d.amended *****

388.1620d Requirements for final determination under MCL 388.1620 and former section 388.1620a.

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 2025-2026, 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.

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History: Add. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Imd. Eff. June 30, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Imd. Eff. June 19, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Subsection (2), as amended by Act 300 of 1996, was vetoed by the governor on June 19, 1996.Sec. 20d, as amended by Act 372 of 1996, was vetoed by the governor on July 3, 1996.Subdivision (c), as amended by Act 93 of 1997, was vetoed by the governor on August 1, 1997.Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act

121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** *****388.1620d.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026

388.1620d.amended Requirements for final determination under MCL 388.1620 and former section 388.1620a.

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 2026-2027, 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.

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History: Add. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Imd. Eff. June 30, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Imd. Eff. June 19, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act

15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Subsection (2), as amended by Act 300 of 1996, was vetoed by the governor on June 19, 1996.Sec. 20d, as amended by Act 372 of 1996, was vetoed by the governor on July 3, 1996.Subdivision (c), as amended by Act 93 of 1997, was vetoed by the governor on August 1, 1997.Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

388.1620e Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to state portion of district's foundation allowance.

388.1620f Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to eligible districts.

388.1620g Repealed. 2017, Act 108, Eff. Oct. 1, 2017.

Compiler's Notes: The repealed section pertained to transition costs relating to pupils enrolled in dissolved district.

388.1620h, 388.1620i Repealed. 1997, Act 93, Eff. Oct. 1, 1997.

Compiler's Notes: The repealed sections pertained to payments for special education pupils for 1995-96 and funding for districts experiencing large pupil membership growth.

388.1620j, 388.1620k Repealed. 2011, Act 62, Eff. Oct. 1, 2011.

Compiler's Notes: The repealed sections pertained to foundation allowance supplemental payments and reduction in district's state school aid.

388.1620m Foundation allowance supplemental payments; per-pupil allocation; calculations; "qualifying district" defined.

Sec. 20m.

(1) Foundation allowance supplemental payments for the current fiscal year to qualifying districts with an adjustment to their foundation allowance from fiscal year 2020-2021 to the current fiscal year that is less than the adjustment in the target foundation allowance from fiscal year 2020-2021 to the current fiscal year must be calculated under this section.

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

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year in the target foundation allowance minus the dollar amount of the adjustment from fiscal year 2020-2021 to the current fiscal year in a qualifying district's foundation allowance.

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

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

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

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History: Add. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022
Compiler's Notes: Former MCL 388.1620m, which pertained to supplemental foundation allowances to certain districts, was repealed by Act 58 of 2019, Eff. Oct. 1, 2019.

388.1621 Repealed. 2017, Act 108, Eff. Oct. 1, 2017.

Compiler's Notes: The repealed section pertained to districts identified as among lowest achieving 5% of public schools.

388.1621a Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to school improvement plans, annual education report, accreditation, and core curriculum; employability skills assessment programs.

***** 388.1621b THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1621b.amended *****

388.1621b Support for pupil attending postsecondary institution.

Sec. 21b.

(1) Subject to subsections (2) and (3), a district shall use funds received under section 22a or 22b to support the attendance of a district pupil who is an eligible student at an eligible

postsecondary institution under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or under the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, by paying eligible charges on behalf of the district pupil as required under those acts.

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

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

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

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History: Add. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Imd. Eff. July 12, 1994 ;-- Am. 1996, Act 161, Eff. July 1, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”

***** 388.1621b.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1621b.amended Support for pupil attending postsecondary institution.

Sec. 21b.

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

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

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

(4) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $40,000,000.00 for reimbursements to eligible districts supporting eligible charges on behalf of eligible students as described in subsection (1). All of the following apply to payments made under this subsection:

(a) To be considered an eligible district under this section, a district must be assigned to an opportunity index band, as described in section 6(21), of 4 or higher.

(b) Payments must not exceed the amount the eligible district is required to pay under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913.

(c) If the amount allocated in this subsection is not sufficient to fully reimburse all eligible districts, payments to eligible districts must be adjusted as follows:

(i) Payments to any individual district that exceed 25% of the allocation under this subsection must be reduced to an amount equal to 25% of the allocation under this subsection.

(ii) If, after the operation of subparagraph (i), the amount allocated under this subsection is still insufficient to fully reimburse all eligible districts, the payment to each eligible district must be prorated on an equal percentage basis.

(d) If the amount allocated in this subsection exceeds the amount necessary to fully reimburse all eligible districts, the department shall provide payments to districts assigned to an opportunity index band, as described in section 6(21), of 3. If the remaining funds are insufficient to fully fund all eligible districts described in this subdivision, the payment to each eligible district described in this subdivision must be prorated on an equal percentage basis.

(e) If, after the operation of subdivision (d), the amount allocated in this subsection exceeds the amount necessary to fully reimburse all eligible districts, the department shall provide payments to districts assigned to an opportunity index band, as described in section 6(21), of 2. If the remaining funds are insufficient to fully fund all eligible districts described in this subdivision, the payment to each eligible district described in this subdivision must be prorated on an equal percentage basis.

(f) If, after the operation of subdivision (e), the amount allocated in this subsection exceeds the amount necessary to fully reimburse all eligible districts, the department shall provide payments to districts assigned to an opportunity index band, as described in section 6(21), of 1. If the remaining funds are insufficient to fully fund all eligible districts described in this subdivision, the payment to each eligible district described in this subdivision must be prorated on an equal percentage basis.

(g) Funds under this section may be used to support CTE dual enrollment programs authorized under section 61b.

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

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

History: Add. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Imd. Eff. July 12, 1994 ;-- Am. 1996, Act 161, Eff. July 1, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."

388.1621c Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to counting certain funds and payments for purposes of MCL 388.1621(5).

388.1621d Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to reorganization planning grant.

388.1621e Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to allocations to districts.

***** 388.1621f THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1621f.amended *****

388.1621f Virtual courses; primary district; requirements; denial of enrollment; appeal; rights and access to technology; definitions.

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 course that meets virtually 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.

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(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.

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(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 the pupil's 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:

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(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) Is appropriately placed under a valid Michigan teaching certificate or a teaching permit, authorization, or approval issued by the department. As used in this subparagraph, "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.

(ii) 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.

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

(iv) 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 any portion 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.

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(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.

History: Add. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 139, Eff. Oct. 7, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2020, Act 147, Imd. Eff. Aug. 20, 2020 ;-- Am. 2021, Act 3, Imd. Eff. Mar. 9, 2021 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 1 of Act 130 of 2013 provides:"Enacting section 1. This amendatory act takes effect October 1, 2013."Enacting section 1 of Act 139 of 2015 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2015 PA 85 and this amendatory act for fiscal year 2015-2016 is estimated at $12,124,885,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,967,255,600.00."

***** 388.1621f.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1621f.amended Virtual courses; primary district; requirements; denial of enrollment; appeal; rights and access to technology; definitions.

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 course that meets virtually for more than 6 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.

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(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:

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(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 the pupil's 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) Subject to the requirements of this subsection, a district may provide virtual instruction under this subsection for not more than 6 days in a school year. If a district plans to provide instruction under this subsection, the district's plan must be approved by the board of the district, and the district must provide notice of the plan to impacted pupils and their parents or legal guardians before enactment of the plan. Instruction may be provided synchronously or asynchronously, as determined by the department. Days of instruction under this subsection may be used only for the following purposes, as defined by the department:

(a) A maximum of 3 days may be designated as testing days, during which students are released from regular classroom instruction to participate in state or federally mandated assessments. Days of virtual instruction provided under this subdivision are limited to buildings and grade levels impacted by assessments.

(b) A maximum of 3 days of virtual instruction may be provided due to conditions not within control of the district, including, but not limited to, closures due to snow, ice, or other extreme weather events or unforeseen emergencies. Days of virtual instruction under this

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subdivision may be used only after a district has exhausted all emergency closure days permitted under section 101.

(15) 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) Is appropriately placed under a valid Michigan teaching certificate or a teaching permit, authorization, or approval issued by the department. As used in this subparagraph, "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.

(ii) 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.

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

(iv) 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 any portion 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).

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(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.

History: Add. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 139, Eff. Oct. 7, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2020, Act 147, Imd. Eff. Aug. 20, 2020 ;-- Am. 2021, Act 3, Imd. Eff. Mar. 9, 2021 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 1 of Act 130 of 2013 provides:"Enacting section 1. This amendatory act takes effect October 1, 2013."Enacting section 1 of Act 139 of 2015 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2015 PA 85 and this amendatory act for fiscal year 2015-2016 is estimated at $12,124,885,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,967,255,600.00."

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388.1621g Repealed. 2017, Act 108, Eff. Oct. 1, 2017.

Compiler's Notes: The repealed section pertained to grant to public-private partnership to develop and pilot competency-based transcript and marketplace.

***** 388.1621h THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1621h.amended *****

388.1621h Partnership district agreement; to improve student achievement and district financial stability; eligibility for funding; approval of an district continuous improvement plan; allocation and use of funds; funds for data analytics tool; report.

Sec. 21h.

(1) From the state school aid pupil support reserve fund money appropriated in section 11, there is allocated $6,137,400.00 for 2025-2026 for assisting districts assigned by the superintendent to participate in a partnership district agreement to improve student achievement and district financial stability. It is the intent of the legislature that the appropriation in this section will be funded with state school aid pupil support reserve fund money through 2027-2028. The superintendent shall identify any conditions that may be contributing to low academic performance within a district being considered for assignment to a partnership district agreement. The purpose of the partnership district agreement 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 district agreement is made by the superintendent.

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

(a) Within 90 days of assignment to the partnership district agreement described in this section, 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 a district continuous improvement 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 district continuous improvement 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.

(iii) Measurable benchmarks that put pupils on track to meet or exceed grade level proficiency, increase high school graduation rates, reduce class sizes in grades K to 3, and improve attendance rates.

(c) 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. The department may require training for district leadership and all board members under this subdivision at a rate and frequency needed to support measurable academic outcomes for the district.

(3) Upon approval of the district continuous improvement plan developed under subsection (2), the department 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 district agreement.

(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, literacy, numeracy, reducing K-3 class sizes, reducing chronic absenteeism, or other expenditures that directly impact student achievement and cannot be paid from existing district financial resources. Notwithstanding section 17b, the department shall make payments to districts under this section on a schedule determined by the department.

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(5) From the funds allocated under subsection (1), there is allocated for 2025-2026 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 shall annually report to the legislature on the activities funded under this section and how those activities impacted student achievement in districts that received funds under this section. To the extent possible, participating districts receiving funding under this section shall participate in the report.

(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.

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History: Add. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1621h.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1621h.amended Partnership district agreement; to improve student achievement and district financial stability; eligibility for funding; approval of an district continuous improvement plan; allocation and use of funds; funds for data analytics tool; report.

Sec. 21h.

(1) From the state school aid pupil support reserve fund money appropriated in section 11, there is allocated $6,137,400.00 for 2026-2027 for assisting districts assigned by the superintendent to participate in a partnership district agreement to improve student achievement and district financial stability. It is the intent of the legislature that the appropriation in this section will be funded with state school aid pupil support reserve fund money through 2027-2028. The superintendent shall identify any conditions that may be contributing to low academic performance within a district being considered for assignment to a partnership district agreement. The purpose of the partnership district agreement 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 district agreement is made by the superintendent.

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

(a) Within 90 days of assignment to the partnership district agreement described in this section, 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 a district continuous improvement 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 district continuous improvement 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.

(iii) Measurable benchmarks that put pupils on track to meet or exceed grade level proficiency, increase high school graduation rates, reduce class sizes in grades K to 3, and improve attendance rates.

(c) 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. The department may require training for district leadership and all board members under this subdivision at a rate and frequency needed to support measurable academic outcomes for the district.

(3) Upon approval of the district continuous improvement plan developed under subsection (2), the department 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 district continuous improvement 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 district agreement.

(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, literacy, numeracy, reducing K-3 class sizes, reducing chronic absenteeism, or other expenditures that directly impact student achievement and cannot be paid from existing district financial resources. 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 2026-2027 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

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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 shall annually report to the legislature on the activities funded under this section and how those activities impacted student achievement in districts that received funds under this section. To the extent possible, participating districts receiving funding under this section shall participate in the report.

History: Add. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1621j Repealed. 2018, Act 265, Eff. Oct. 1, 2018.

Compiler's Notes: The repealed section pertained to design and implementation of competency-based education program.

388.1622 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to allocations to districts.

388.1622a Allocation for school operating purposes; proposal A payments to districts and qualifying public school academies; calculations; definitions.

Sec. 22a.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $3,726,000,000.00 for 2025-2026 and there is allocated an amount not to exceed $3,562,000,000.00 for 2026-2027 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.

(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

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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 membership 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. Except as otherwise provided in this subdivision, 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). Beginning with the fiscal year ending September 30, 2027, it is the intent of the legislature that the previous sentence no longer applies and the allocation for a community district under this section shall not be reduced by 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 no offset is provided by increased funding under section 22b(2). Beginning with the fiscal year ending September 30, 2027, for a qualifying school district that has entered into a qualified debt agreement, all of the following apply:

(i) The qualifying school district is presumed to have paid the unpaid obligations of the qualifying school district under the qualified debt agreement and repaid all outstanding operating obligations of the qualifying school district.

(ii) Section 386 of the revised school code, MCL 380.386, is presumed to no longer apply to the community district.

(iii) The qualifying school district is presumed, after payment under subdivision (a), to have remitted to the community district any remaining money in any revenue fund established under the qualified debt agreement.

(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

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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) 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

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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) "Michigan finance authority" means the public body corporate and politic created within the department of treasury by Executive Reorganization Order No. 2010-2, MCL 12.194.

(i) "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.

(j) "Obligations" means that term as defined in a qualified debt agreement.

(k) "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.

(l) "Qualified debt agreement" means a master debt indenture settlement agreement between a qualifying school district and 1 or more other parties, including without limitation, the state treasurer and the Michigan finance authority.

(m) "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.

(n) "Qualifying school district" means a school district described in section 12b of the revised school code, MCL 380.12b.

(o) "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.

(p) "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.

(q) "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.

(r) "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

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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.

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004 ;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2010, Act 217, Imd. Eff. Dec. 3, 2010 ;-- Am. 2011, Act 62, Imd. Eff. June 21, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2013, Act 60, Imd. Eff. June 13, 2013 ;-- Am. 2013, Act 97, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Imd. Eff. June 17, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Imd. Eff. Sept. 30, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 98 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state

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constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112 of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 217 of 2010 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 204, and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00.(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 110, and in 2009 PA 121 from state sources for fiscal year 2009-2010 is estimated at $10,645,097,700.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,562,169,000.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."

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388.1622b Allocation for discretionary nonmandated payments; duties of district; weighted foundation payments; purchase and support of business function software; payments for litigation costs; claim of inadequate funding or unfunded constitutional requirement; escrowed funds as work project; purpose; final determination; expedited review of claim by local claims review board; removal to court of appeals; violation of state constitution; lawsuit challenging payments relating to costs reimbursed by federal title XIX Medicaid funds; definitions.

Sec. 22b.

(1) Except as otherwise provided in this section, for discretionary nonmandated payments to districts under this section, there is allocated for 2025-2026 an amount not to exceed $6,783,000,000.00 from the state school aid fund and general fund appropriations in section 11, there is allocated for 2026-2027 an amount not to exceed $6,914,450,000.00 from the state school aid fund and general fund appropriations in section 11, and there is additionally allocated for 2026-2027 only an amount not to exceed $56,100,000.00 from the state school aid fund appropriation in section 11. In addition, there is allocated for 2025-2026 only an amount not to exceed $124,000,000.00 from the state school aid fund appropriation in section 11, and there is allocated for 2026-2027 only an amount not to exceed $130,000,000.00 from

the enrollment stabilization 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.

(2) Subject to subsection (4) and section 296, the allocation to a district under subsection (1) is an amount equal to the sum of the amounts calculated under sections 20, 20m, 51a(2), 51a(3), 51a(11), and 51e, minus the sum of the allocations to the district under sections 22a and 51c. Except as otherwise provided in this subsection, 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, 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). Beginning with the fiscal year ending September 30, 2027, it is the intent of the legislature that the previous sentence no longer applies. Beginning with the fiscal year ending September 30, 2027, for a qualifying school district that has entered into a qualifying debt agreement, all of the following apply:

(a) The qualifying school district is presumed to have paid the unpaid obligations of the qualifying school district under the qualified debt agreement and repaid all outstanding operating obligations of the qualifying school district.

(b) Section 386 of the revised school code, MCL 380.386, is presumed to no longer apply to the community district.

(c) The qualifying school district is presumed, after payment under subdivision (a), to have remitted to the community district any remaining money in any revenue fund established under the qualified debt agreement.

(3) To receive an allocation under this section, 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 district agreement with the department, comply with section 22p.

(g) Comply with 1 of the following, as applicable:

(i) If Senate Bill No. 903 of the 103rd Legislature is enacted into law, section 1280h of the revised school code, MCL 380.1280h.

(ii) If subparagraph (i) does not apply, section 164m.

(h) Comply with section 1280f of the revised school code, MCL 380.1280f. Beginning with the fiscal year ending September 30, 2026, if a district is not using a curriculum from the department's evidence-based curriculum list required under section 1280f of the revised school code, MCL 380.1280f, the district must provide a notification to all parents or legal guardians of students in grades K to 5 receiving instruction with that curriculum that includes all of the following:

(i) A statement informing parents or legal guardians that the curriculum used by the district is not evidence-based or not aligned to state standards, which could negatively impact student academic outcomes.

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(ii) A statement explaining why the district is not using a curriculum that is evidence-based or aligned to state standards.

(iii) A plan, including a projected timeline, for when a new curriculum will be adopted that is evidence-based and aligned to state standards.

(4) In addition to the allocation under subsection (1), and subject to subsection (3) and section 296, from the state school aid fund money appropriated in section 11 there is allocated for 2026-2027 an amount not to exceed $1,627,665,100.00 for a weighted foundation payment to districts in an amount equal to the target foundation allowance multiplied by the weighted pupil membership for the district.

(5) 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.

(6) 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.

(7) 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.

(8) 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.

(9) 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 (8) 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).

(10) 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.

(11) 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

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payments under this section, the legislature shall provide for adequate funding for this state's constitutional obligations at its next legislative session.

(12) 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.

(13) 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) "Michigan finance authority" means the public body corporate and politic created within the department of treasury by Executive Reorganization Order No. 2010-2, MCL 12.194.

(d) "Obligations" means that term as defined in a qualified debt agreement.

(e) "Qualified debt agreement" means a master debt indenture settlement agreement between a qualifying school district and 1 or more other parties, including without limitation, the state treasurer and the Michigan finance authority.

(f) "Qualifying school district" means a school district described in section 12b of the revised school code, MCL 380.12b.

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

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History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2011, Act 62, Imd. Eff. June 21, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Imd. Eff. June 13, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Imd. Eff. June 17, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Imd. Eff. Sept. 30, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23,

2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026
Compiler's Notes: In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase “and an amount not to exceed $2,845,000,000.00 for 2002-2003” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 98 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112 of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at

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$10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."

388.1622c Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to per membership pupil payments to eligible districts.

***** 388.1622d THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1622d.amended *****

388.1622d Supplemental payments to rural and isolated districts.

Sec. 22d.

(1) From the state school aid fund money appropriated under section 11, an amount not to exceed $12,873,100.00 is allocated for 2025-2026 for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for 2025-2026 an amount not to exceed $3,906,200.00 for payments under this subsection to eligible districts. 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 2025-2026 an amount not to exceed $8,412,100.00 for payments under this subsection to districts that have fewer than 10.0 pupils per square mile, as determined by the department, or that have greater than 250 square miles.

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

(a) An amount equal to $6,373,700.00 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).

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(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).

(iii) For districts that have greater than 250 square miles, have at least 10.0 pupils per square mile, and do not receive funding under subsection (2), as determined by the department, the allocation is an amount per pupil equal to 100% of the per-pupil amount allocated to districts under subdivision (a).

(c) If the total funding allocated under subdivision (b) is insufficient 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. If funding allocated under subdivision (b) remains unallocated after making calculations under that subdivision, the department may provide the remaining unallocated funding on an equal per-pupil basis to districts receiving funding under subdivision (b)(i) and (ii).

(6) Subject to subsection (7), from the allocation under subsection (1), there is allocated for 2025-2026 an amount not to exceed $554,800.00 for payments under this subsection to districts where each school building operated by the district is located on an island that is accessible by bridge.

(7) A district receiving funds allocated under subsection (2) is not eligible for funding allocated under subsection (4) or (6). A district receiving funds allocated under subsection (6) is not eligible for funding under subsection (2) or (4).

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History: Add. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of

government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112 of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1622d.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1622d.amended Supplemental payments to rural and isolated districts.

Sec. 22d.

(1) From the state school aid fund money appropriated under section 11, an amount not to exceed $14,184,400.00 is allocated for 2026-2027 for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for 2026-2027 an amount not to exceed $4,304,100.00 for payments under this subsection to eligible districts. 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 2026-2027 an amount not to exceed $9,269,000.00 for payments under this subsection to districts that have fewer than 10.0 pupils per square mile, as determined by the department, or that have greater than 250 square miles.

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

(a) An amount equal to $7,022,900.00 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).

(iii) For districts that have greater than 250 square miles, have at least 10.0 pupils per square mile, and do not receive funding under subsection (2), as determined by the department, the allocation is an amount per pupil equal to 100% of the per-pupil amount allocated to districts under subdivision (a).

(c) If the total funding allocated under subdivision (b) is insufficient 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. If funding allocated under subdivision (b) remains unallocated after making calculations under that subdivision, the department may provide the remaining unallocated funding on an equal per-pupil basis to districts receiving funding under subdivision (b)(i) and (ii).

(6) Subject to subsection (7), from the allocation under subsection (1), there is allocated for 2026-2027 an amount not to exceed $611,300.00 for payments under this subsection to districts where each school building operated by the district is located on an island that is accessible by bridge.

(7) A district receiving funds allocated under subsection (2) is not eligible for funding allocated under subsection (4) or (6). A district receiving funds allocated under subsection (6) is not eligible for funding under subsection (2) or (4).

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History: Add. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units

of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112 of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

388.1622e Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to per pupil payments to public school academies.

388.1622f Repealed. 2015, Act 85, Eff. Oct. 1, 2015.

Compiler's Notes: The repealed section pertained to incentive payments to districts meeting best practices.

388.1622g Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to payments to qualifying intermediate districts for outstanding operating debt and accrued school bond loan fund interest of a dissolved school district.Former MCL 388.1622g, which pertained to grants awarded to districts not receiving funds in 2016-2017 and use of funds for certain transaction costs, was repealed by Act 265 of 2018, Eff. Oct. 1, 2018.

388.1622h Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: The repealed section pertained to distressed district school transition grants.

388.1622i Repealed. 2016, Act 249, Eff. Oct. 1, 2016.

Compiler's Notes: The repealed section pertained to technology readiness infrastructure grant program for districts or intermediate districts.

388.1622j Repealed. 2015, Act 85, Eff. Oct. 1, 2015.

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Compiler's Notes: The repealed section pertained to incentive payments for student academic performance.

388.1622k School transportation fund.

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, 2026 only, $130,000,000.00 from the state school aid fund must be deposited into the school transportation fund.

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History: Add. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: Former MCL 388.1622k, which pertained to allocation for competitive student-centric grants to eligible districts, was repealed by Act 196 of 2014, Eff. Oct. 1, 2014.

***** 388.1622l THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1622l.amended *****

388.1622l Allocation for district and intermediate district transportation costs; intermediate district transportation study; report.

Sec. 22l.

(1) From the school transportation fund money appropriated under section 11, there is allocated for 2025-2026 only an amount not to exceed $125,000,000.00 to districts and intermediate districts for transportation costs. Funding for each district or intermediate district is as follows:

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

(b) Funds must be distributed to each district and intermediate district as follows:

(i) An initial amount at the lesser of the octile's median cost per rider or the actual transportation cost per general education rider at the district or intermediate district.

(ii) An additional amount for districts and intermediate districts that have outlier costs per rider that are deemed reasonable, as determined by the department.

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

(2) In addition to the funds allocated under subsection (1), from the school transportation fund money appropriated under section 11, there is allocated for 2022-2023 only an amount

not to exceed $200,000.00 to an intermediate district for a study on district transportation costs. The intermediate district receiving funds under this subsection must submit a report to the department, the state budget director, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies by February 29, 2024 on the outcomes of the study under this subsection. Notwithstanding section 18a, funds allocated under this subsection may be available for expenditure until September 30, 2026. A recipient of funding under this subsection must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2026.

(3) To remain eligible for funding under subsection (1), by not later than December 1 of the current fiscal year, a school district must submit, in a form and manner determined by the department, to their intermediate district, and a public school academy must submit, in a form and manner determined by the department, to the intermediate district in which the public school academy is located, the number of nonpublic school students the district expects to transport as required under section 1321 of the revised school code, MCL 380.1321. Intermediate districts shall submit this information to the department by not later than February 1.

(4) The department shall compile the reports provided by intermediate districts under subsection (3) into 1 legislative report. The department shall provide this report not later than March 1 of each 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.

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

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History: Add. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1622l.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1622l.amended Allocation for district and intermediate district transportation costs; eligibility requirements; reports; payment schedule.

Sec. 22l.

(1) From the school transportation fund money appropriated under section 11, there is allocated for 2026-2027 only an amount not to exceed $125,000,000.00 to districts and intermediate districts for transportation costs. Funding for each district or intermediate district is as follows:

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

(b) Funds must be distributed to each district and intermediate district as follows:

(i) An initial amount at the lesser of the octile's median cost per rider or the actual transportation cost per general education rider at the district or intermediate district.

(ii) An additional amount for districts and intermediate districts that have outlier costs per rider that are deemed reasonable, as determined by the department.

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

(2) To remain eligible for funding under subsection (1), by not later than December 1 of the current fiscal year, a school district must submit, in a form and manner determined by the department, to their intermediate district, and a public school academy must submit, in a form and manner determined by the department, to the intermediate district in which the public school academy is located, the number of nonpublic school students the district expects to transport as required under section 1321 of the revised school code, MCL 380.1321. Intermediate districts shall submit this information to the department by not later than February 1.

(3) The department shall compile the reports provided by intermediate districts under subsection (2) into 1 legislative report. The department shall provide this report not later than March 1 of each 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.

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

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History: Add. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1622m THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1622m.amended *****

388.1622m Integration of local data systems into Michigan data hub network; basis; entity as fiscal agent; coordination of activities; determination of amount of funds; payment schedule; governance model required for funding; participation as voluntary; use of funds; report.

Sec. 22m.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 an amount not to exceed $3,500,000.00 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). In addition, from the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed $1,500,000.00 for the purposes of this section.

(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) By 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.

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History: Add. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1622m.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1622m.amended Integration of local data systems into Michigan data hub network; basis; entity as fiscal agent; coordination of activities; determination of amount of funds; payment schedule; governance model required for funding; participation as voluntary; use of funds; report.

Sec. 22m.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $3,500,000.00 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) By 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.

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History: Add. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1622n Repealed. 2019, Act 58, Eff. Oct. 1, 2019.

Compiler's Notes: The repealed section pertained to additional payments to districts for higher instructional costs of educating high school pupils.

388.1622p Partnership district agreement; measurable benchmarks; accountability measures.

Sec. 22p.

(1) Subject to subsection (2), 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 district agreement with the department that includes all of the following:

(a) Measurable benchmarks 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 district agreement after 18 months and after 36 months from the date the agreement was originally signed. Measurable benchmarks under this subdivision must include all of the following:

(i) Pupils on track to meet or exceed grade level proficiency, with consideration for 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 benchmark based on state assessments described in section 104c.

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

(iii) Improved high school graduation rates, as applicable.

(iv) Attendance rates.

(b) Accountability measures to be imposed if the district or public school academy does not achieve the measurable benchmarks described in subdivision (a) or section 21h(2)(b) for each school operated by the district or public school academy that is subject to the partnership district 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 district 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 district agreement, reconstitution may require closure of the

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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 measurable benchmarks included in the partnership district 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 district 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 district agreement as described in subsection (1) in place.

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History: Add. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 11, Eff. June 30, 2026

388.1622r State school aid pupil support reserve fund

Sec. 22r.

(1) The state school aid pupil support reserve fund is created as a separate account within the state school aid fund to fund programs described in sections 21h, 32n, 65, 67f, and 99h. It is the intent of the legislature that money in the state school aid pupil support reserve fund will be used to support the above programs for 2025-2026, 2026-2027, and 2027-2028.

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

(3) Money in the state school aid pupil support reserve fund at the close of the fiscal year remains in the state school aid pupil support reserve fund and does not lapse to the state school aid fund.

(4) The department of treasury is the administrator of the state school aid pupil support reserve fund for auditing purposes.

(5) Money available in the state school aid pupil support reserve fund must not be expended without a specific appropriation.

(6) For the fiscal year ending September 30, 2026 only, $326,112,200.00 from the state school aid fund is deposited into the state school aid pupil support reserve fund.

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1622s THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1622s.amended *****

388.1622s General pupil support reserve fund; programs under MCL 388.1699h.

Sec. 22s.

(1) The general pupil support reserve fund is created as a separate account within the state school aid fund to fund programs described in section 99h. It is the intent of the legislature that money in the general pupil support reserve fund will be used to support the above program for 2025-2026, 2026-2027, and 2027-2028.

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

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

(4) The department of treasury is the administrator of the general pupil support reserve fund for auditing purposes.

(5) Money available in the general pupil support reserve fund must not be expended without a specific appropriation.

(6) For the fiscal year ending September 30, 2026 only, $1,800,000.00 from the general fund is deposited into the general pupil support reserve fund.

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History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1622s.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1622s.amended General pupil support reserve fund; programs under MCL 388.1630d, 388.1631aa, and 388.1699h.

Sec. 22s.

(1) The general pupil support reserve fund is created as a separate account within the state school aid fund to fund programs described in sections 30d, 31aa, and 99h. It is the intent of the legislature that money in the general pupil support reserve fund will be used to support the above programs for 2025-2026, 2026-2027, and 2027-2028.

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

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

(4) The department of treasury is the administrator of the general pupil support reserve fund for auditing purposes.

(5) Money available in the general pupil support reserve fund must not be expended without a specific appropriation.

(6) For the fiscal year ending September 30, 2027 only, $12,000,000.00 from the educator fellowship private provider fund under section 27e is deposited into the general pupil support reserve fund.

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1623 Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to instructional programs offered by public universities.

388.1623a Dropout recovery program; special membership counting provisions; definitions.

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.

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(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.

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History: Add. 2012, Act 465, Imd. Eff. Dec. 28, 2012 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2020, Act 22, Imd. Eff. Jan. 31, 2020 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023

Compiler's Notes: Former MCL 388.1623a, which pertained to schools of choice, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.

388.1623b Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to an allocation for COVID-19 remediation services.

388.1623c Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to payments to eligible districts or intermediate districts for summer program teacher and staff incentives.

388.1623d Repealed. 1994, Act 360, Eff. June 30, 1995;—1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to alternative public school established and operated by intermediate school district.

388.1623e Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to an allocation for a competitive grant program for eligible entities for before-and-after school programs.

388.1623f Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the learning pod pilot program.

388.1623g Repealed 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to MI Kids Back-on-Track program.

388.1623h Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to support mathematics teaching and learning.

388.1623i Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to River Rouge School District partnership with Friends of the Children for mentorship program for K to 12 youth and families.

***** 388.1624 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1624.amended *****

388.1624 Allocation for on-grounds education program; payments for educating students assigned by court or department of health and human services to reside in juvenile detention facility or child caring institution; definitions; funding for department-approved on-grounds educational program; special education pupils funded under MCL 388.1653a not funded under this section.

Sec. 24.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 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

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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.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Subsection (3) of Sec. 24, as amended by Act 128 of 1987, was vetoed by the governor on July 24, 1987.Subsection (3) of Sec. 24, as amended by Act 212 of 1986, reads as follows:“(3) Special education pupils funded under section 53 shall not be counted under this section.”In his veto message relative to Enrolled House Bill 4572, which became Act 118 of 1991, the governor stated that “the tradition of not re-enacting annually the unchanged appropriation sections of the school aid act is constitutionally flawed. It assumes the invalid creation of a continuing appropriation. Therefore, the following sections of the school aid act and their associated allocations must be considered inoperative: 24, 55, 74, 75, 105a, 111, and 116. These sections will be treated as excluded from the current bill... .”In subsection (2), as amended by Act 297 of 2000, the last sentence “In addition, a district or intermediate district that received funds under this subsection for 1998-99 for an on-grounds educational program that is longer than 181 days but not longer than 233 days shall continue to receive funds under this section for subsequent fiscal years for that program” was vetoed by the governor July 26, 2000.In the first and second

sentences of subsection (1), as amended by Act 121 of 2001, the phrases “and for 2002-2003” and “and $8,900,000.00 for 2002-2003” were vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1624.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1624.amended Allocation for on-grounds education program; payments for educating students assigned by court or department of health and human services to reside in juvenile detention facility or child caring institution; definitions; funding for department-approved on-grounds educational program; special education pupils funded under MCL 388.1653a not funded under this section.

Sec. 24.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 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

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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.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Subsection (3) of Sec. 24, as amended by Act 128 of 1987, was vetoed by the governor

on July 24, 1987.Subsection (3) of Sec. 24, as amended by Act 212 of 1986, reads as follows:“(3) Special education pupils funded under section 53 shall not be counted under this section.”In his veto message relative to Enrolled House Bill 4572, which became Act 118 of 1991, the governor stated that “the tradition of not re-enacting annually the unchanged appropriation sections of the school aid act is constitutionally flawed. It assumes the invalid creation of a continuing appropriation. Therefore, the following sections of the school aid act and their associated allocations must be considered inoperative: 24, 55, 74, 75, 105a, 111, and 116. These sections will be treated as excluded from the current bill... .”In subsection (2), as amended by Act 297 of 2000, the last sentence “In addition, a district or intermediate district that received funds under this subsection for 1998-99 for an on-grounds educational program that is longer than 181 days but not longer than 233 days shall continue to receive funds under this section for subsequent fiscal years for that program” was vetoed by the governor July 26, 2000.In the first and second sentences of subsection (1), as amended by Act 121 of 2001, the phrases “and for 2002-2003” and “and $8,900,000.00 for 2002-2003” were vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1624a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1624a.amended *****

388.1624a Allocations for education programs; payments to intermediate districts for pupils placed in juvenile justice service facilities.

Sec. 24a.

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From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $1,355,700.00 for 2025-2026 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.

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History: Add. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Former MCL 388.1624a, which pertained to counting pupils residing in nonoperating districts attached to operating districts, was repealed by Act 130 of 1995, Eff. Oct. 1, 1995.Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1624a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1624a.amended Allocations for education programs; payments to intermediate districts for pupils placed in juvenile justice service facilities.

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 2026-2027 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.

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History: Add. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1624a, which pertained to counting pupils residing in nonoperating districts attached to operating districts, was repealed by Act 130 of 1995, Eff. Oct. 1, 1995.Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

388.1624b Parents or legal guardian residing in different districts; enrollment of child.

Sec. 24b.

For the purposes of this act, without regard to whether a parent or legal guardian has custody of the child, if a child's parents, or a child's parent or parents and the child's legal guardian, reside in different districts and if the child meets the applicable age requirements, the child may enroll in a district in which either of the child's parents resides, or in which the child's legal guardian resides. When a child described in this section enrolls in a district under this section, that district is the child's district of residence for the purposes of this act.

History: Add. 1996, Act 372, Eff. Sept. 1, 1996

388.1624c Repealed. 2019, Act 58, Eff. Oct. 1, 2019.

Compiler's Notes: The repealed section pertained to payments to districts for pupils enrolled in youth challenge program.

388.1625 Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: The repealed section pertained to enrollment of pupil after pupil membership count day and changes in calculation of state school aid.

388.1625a Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to payment of amounts to educating districts.

388.1625b Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to applicability of section to educating district not first class.

388.1625c Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to educating district of first class.

388.1625d Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: The repealed section pertained to alternative education programs and strict discipline academies.

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388.1625e Pupil membership transfer application and pupil transfer process; duties of department; calculation changes; providing information to center and department; pupils enrolled in online courses; report on pupils enrolled after pupil membership count day and before supplemental count day; definitions.

Sec. 25e.

(1) The pupil membership transfer application and pupil transfer process administered by the center under this section is used for processing pupil transfers.

(2) If a pupil counted in membership for the pupil membership count day transfers from a district or intermediate district to enroll in another district or intermediate district after the pupil membership count day and before the supplemental count day and, due to the pupil's enrollment and attendance status as of the pupil membership count day, the pupil was not counted in membership in the educating district or intermediate district, the educating district or intermediate district may report the enrollment and attendance information to the center through the pupil transfer process within 30 days after the transfer or within 30 days after the pupil membership count certification date, whichever is later. Pupil transfers may be submitted no earlier than the first day after the certification deadline for the pupil membership count day and before the supplemental count day. Upon receipt of the transfer information under this subsection indicating that a pupil has enrolled and is in attendance in an educating district or intermediate district as described in this subsection, the center shall do the following:

(a) Notify the district in which the pupil was previously enrolled.

(b) Notify both the pupil auditing staff of the intermediate district in which the educating district is located and the pupil auditing staff of the intermediate district in which the district that previously enrolled the pupil is located. The pupil auditing staff shall investigate a representative sample based on required audit sample sizes in the pupil auditing manual and may deny the pupil membership transfer.

(c) Aggregate the districtwide changes and notify the department for use in adjusting the state aid payment system.

(3) The department shall do all of the following:

(a) Adjust the membership calculation for each district or intermediate district in which the pupil was previously counted in membership or that previously received an adjustment in its membership calculation under this section due to a change in the pupil's enrollment and attendance so that the district's or intermediate district's membership is prorated to allow the district or intermediate district to receive for each school day, as determined by the financial calendar furnished by the center, in which the pupil was enrolled and in attendance in the district or intermediate district an amount equal to 1/105 of a full-time equated membership claimed in the fall pupil membership count. The department shall pay the district or intermediate district a prorated foundation allowance in an amount equal to the product of the adjustment under this subdivision for the district or intermediate district multiplied by the foundation allowance or per-pupil payment as calculated under section 20 for the district or intermediate district. The foundation allowance or per-pupil payment is adjusted by the pupil's full-time equated status as affected by the membership definition under section 6(4).

(b) Adjust the membership calculation for the educating district or intermediate district in which the pupil is enrolled and is in attendance so that the district's or intermediate district's membership is increased to allow the district or intermediate district to receive an amount equal to the difference between the full-time equated membership claimed in the fall pupil membership count and the sum of the adjustments calculated under subdivision (a) for each district or intermediate district in which the pupil was previously enrolled and in attendance.

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The department shall pay the educating district or intermediate district a prorated foundation allowance in an amount equal to the product of the adjustment under this subdivision for the educating district or intermediate district multiplied by the per-pupil payment as calculated under section 20 for the educating district or intermediate district. The foundation allowance or per-pupil payment is adjusted by the pupil's full-time equated status as affected by the membership definition under section 6(4).

(4) The changes in calculation of state school aid required under subsection (3) take effect as of the date that the pupil becomes enrolled and in attendance in the educating district or intermediate district, and the department shall base all subsequent payments under this article for the fiscal year to the affected districts or intermediate districts on this recalculation of state school aid.

(5) If a pupil enrolls in an educating district or intermediate district as described in subsection (2), the district or intermediate district in which the pupil is counted in membership or another educating district or intermediate district that received an adjustment in its membership calculation under subsection (3), if any, and the educating district or intermediate district shall provide to the center and the department all information they require to comply with this section.

(6) The portion of the full-time equated pupil membership for which a pupil is enrolled in 1 or more online courses under section 21f that is representative of the amount that the primary district paid in course costs to the course provider is not counted or transferred under the pupil transfer process under this section.

(7) The center annually shall provide a report to the senate and house appropriations subcommittees on state school aid, and to the senate and house fiscal agencies, detailing the number of pupils transferring in from outside the public school system of this state and the number of pupils transferring out of the public school system in this state between the pupil membership count day and supplemental count day as described in this subsection.

(8) As used in this section:

(a) "Educating district or intermediate district" means the district or intermediate district in which a pupil enrolls after the pupil membership count day or after an adjustment was made in another district's or intermediate district's membership calculation under this section due to the pupil's enrollment and attendance.

(b) "Pupil" means that term as defined under section 6 and also children receiving early childhood special education programs and services.

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History: Add. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2016, Act 313, Eff. Oct. 6, 2016 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019

Compiler's Notes: Enacting section 1 of Act 130 of 2013 provides:"Enacting section 1. This amendatory act takes effect October 1, 2013."

***** 388.1625f THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1625f.amended *****

388.1625f Payments to strict discipline academies and qualified districts; definitions.

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 2025-2026 for payments to strict discipline academies and qualified districts, as provided under this section.

(2) 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 described in that section for changes in enrollment as prescribed under that section and apply annually for funding under section 24.

(3) The total amount allocated to a strict discipline academy or qualified district under this section is equal to the strict discipline academy's or qualified district's pupil membership in the immediately preceding year multiplied by an amount calculated by dividing the total allocation under this section by the total pupil membership for eligible strict discipline academies and qualified districts in the immediately preceding year. 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) The department shall make payments to strict discipline academies and qualified districts under this section according to the payment schedule under section 17b.

(6) 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 (7)(a).

(7) As used in this section:

(a) "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.

(b) "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.

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History: Add. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1625f.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1625f.amended Payments to strict discipline academies and qualified districts; definitions.

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 2026-2027 for payments to strict discipline academies and qualified districts, as provided under this section.

(2) 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 described in that section for changes in enrollment as prescribed under that section and apply annually for funding under section 24.

(3) The total amount allocated to a strict discipline academy or qualified district under this section is equal to the strict discipline academy's or qualified district's pupil membership in the immediately preceding year multiplied by an amount calculated by dividing the total allocation under this section by the total pupil membership for eligible strict discipline academies and qualified districts in the immediately preceding year. 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) The department shall make payments to strict discipline academies and qualified districts under this section according to the payment schedule under section 17b.

(6) 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 (7)(a).

(7) As used in this section:

(a) "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.

(b) "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.

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History: Add. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1625g Repealed 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to pupil calculation adjustments to payments under the dropout recovery program.

388.1625h Repealed. 2019, Act 58, Eff. Oct. 1, 2019.

Compiler's Notes: The repealed section pertained to payments to eligible districts to reduce the number of high school dropouts.

388.1625i Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to an eligible attendance recovery program.

388.1625j Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to funding to support certain districts and certain pupils for virtual-only or hybrid mode of instruction.

388.1625k Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to an allocation to certain secure residential facilities for educational services to student residents.

388.1625l Intermediate district; integrated online tool; identification of students at risk for dropping out of school.

Sec. 25l.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed $5,000,000.00 to an intermediate district for the deployment of an integrated online tool to identify and support students at risk of dropping out of high school.

(2) An intermediate district must apply for funding in a form and manner determined by the department. The application must demonstrate that the intermediate district is in partnership with an association that represents intermediate district administrators in this state for the purpose of deploying an integrated online tool to identify and support students at risk of dropping out of high school. The department shall open the application for funding under this section by not later than November 1, 2024.

(3) Funds received by an intermediate district under this section must be utilized, in partnership with an association that represents intermediate district administrators in this state, to do all of the following:

(a) Establish statewide operational support and offer to districts the use of an integrated online tool to support local early warning and intervention.

(b) Establish monitoring systems to identify and support students at risk of dropping out of high school.

(c) Provide access to the system, develop and deliver professional learning on its uses, and coordinate with the department on regional training and support efforts.

(d) Provide implementation support and technical assistance resources to aid in implementing an integrated online tool to identify and support students at risk of dropping out of high school for any district in the state.

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(4) Notwithstanding section 17b, the department shall make payments under this section by December 1, 2024.

(5) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2029. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2029.

History: Add. 2024, Act 120, Eff. Oct. 1, 2024

388.1626 Receipt or reduction of funds by district or intermediate district.

Sec. 26.

A district or intermediate district receiving money pursuant to 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, or the corridor improvement authority act, 2005 PA 280, MCL 125.2871 to 125.2899, shall have its funds received under section 22b, 56, or 62 reduced by an amount equal to the added local money.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1983, Act 25, Imd. Eff. Apr. 5, 1983 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1990, Act 355, Imd. Eff. Dec. 26, 1990 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."

388.1626a Reimbursements to districts and intermediate districts under MCL 125.2692; renaissance zones; time of allocations.

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 2025-2026 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 2025. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $14,000,000.00 for 2026-2027 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 2026. The department shall pay the allocations by 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.

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History: Add. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003 ;-- Am. 2003, Act 236, Imd. Eff. Dec. 29, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

Compiler's Notes: In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase “and 2002-2003” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 236 of 2003 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2003 PA 158 and 2002 PA 521 from state sources for fiscal year 2003-2004 is estimated at $11,290,087,100.00 and state appropriations to be paid to local units of government for fiscal year 2003-2004 are estimated at $11,274,332,800.00.”Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to

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be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332,600.00."Enacting section 1 of Act 130 of 2013 provides:"Enacting section 1. This amendatory act takes effect October 1, 2013."

***** 388.1626b THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1626b.amended *****

388.1626b Payments to districts, intermediate districts, and community colleges in lieu of tax obligation under MCL 324.2154; prorated payments.

Sec. 26b.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $5,549,000.00 for 2025-2026 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 insufficient to fully pay obligations under this section, payments are prorated on an equal basis among all eligible districts, intermediate districts, and community college districts.

CAUTION: This document is from an archive and may contain outdated information.

History: Add. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2012, Act 465, Imd. Eff. Dec. 28, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at

$11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1626b.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1626b.amended Payments to districts, intermediate districts, and community colleges in lieu of tax obligation under MCL 324.2154; prorated payments.

Sec. 26b.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $5,549,000.00 for 2026-2027 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 insufficient to fully pay obligations under this section, payments are prorated on an equal basis among all eligible districts, intermediate districts, and community college districts.

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History: Add. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2012, Act 465, Imd. Eff. Dec. 28, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with

section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1626c THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1626c.amended *****

388.1626c Promise zone fund.

Sec. 26c.

(1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed $37,700,000.00 for 2024-2025 and there is allocated an amount not to exceed $43,300,000.00 for 2025-2026 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.

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(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.

History: Add. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2013, Act 60, Imd. Eff. June 13, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1626c.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1626c.amended Promise zone fund.

Sec. 26c.

(1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed $48,300,000.00 for 2026-2027 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.

History: Add. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2013, Act 60, Imd. Eff. June 13, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1626d Reimbursement payments to intermediate districts for tax revenues under the brownfield redevelopment financing act, MCL 125.2665b.

Sec. 26d.

(1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed $19,000,000.00 for 2025-2026 and an amount not to exceed $21,800,000.00 for 2026-2027 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 of treasury shall make payments under this section on a schedule determined by the department of treasury.

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History: Add. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

388.1627 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to allocations to districts.

***** 388.1627a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1627a.amended *****

388.1627a MI future educator fellowship program.

Sec. 27a.

(1) From the educator fellowship public provider fund money appropriated in section 11, there is allocated for 2025-2026 an amount not to exceed $10,000,000.00, from the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 an amount not to exceed $10,000,000.00, and from the general fund money appropriated in section 11, there is allocated for 2025-2026 an amount not to exceed $5,000,000.00 for the MI future educator fellowship program. The funds allocated under this section must be used to offset tuition costs for individuals who are working toward earning their initial teacher certification.

At the close of the fiscal year, money allocated under this section that is unspent must be deposited as follows:

(a) For state school aid fund money, into the educator fellowship public provider fund in section 27d.

(b) For general fund money, into the educator fellowship private provider fund in section 27e.

(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; be working toward a teacher certification; be enrolled in enough coursework to be considered enrolled full-time during the academic year, as determined by the student's educator preparation program, or the equivalent of full-time participation for individuals enrolled in an alternative certification program, as defined by the department; and, for students at institutions of higher education, be considered at least a junior-level student, as determined by the institution of higher education.

(c) Not have previously earned a teacher certification.

(d) Timely complete a grant application in a form and manner prescribed by the department of lifelong education, advancement, and potential.

(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 full-time continuous enrollment in an eligible educator preparation program, as determined by the educator preparation program, 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 lifelong education, advancement, and potential.

(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.

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(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 eligible educator preparation program attended, whichever is less. As used in this subsection, the cost of tuition at an educator preparation program that is an institution of higher education is the in-district resident rate plus other required fees, as determined by the department of lifelong education, advancement, and potential; and the cost of tuition at an educator preparation program that is an alternative certification provider is the cost of tuition plus other required fees, as determined by the department of lifelong education, advancement, and potential.

(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 lifelong education, advancement, and potential.

(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 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 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 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 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 lifelong education, advancement, and potential. 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 lifelong education, advancement, and potential 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 insufficient to fully fund awards under this section, there is appropriated from the educator fellowship public provider fund in section 27d or the educator fellowship private provider fund in section 27e, 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.

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(11) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department of lifelong education, advancement, and potential.

(12) The department of lifelong education, advancement, and potential shall report to the chairpersons of the house appropriations subcommittee on school aid and education and the senate appropriations subcommittee on pre-K to 12 by February 15 of the current fiscal year. The report must include the following:

(a) The number and amount of awards granted in the previous fiscal year.

(b) The number of recipients in the previous fiscal year that had their awards converted to loans under subsection (8).

(13) As used in this section, "eligible educator preparation program" means a public or nonpublic institution of higher education or an alternative route provider that meets all of the following, as applicable:

(a) Is approved by the department to offer teacher preparation programming.

(b) Enrolls 1 or more future educator fellowship recipients.

(c) Has not been deemed as ineligible to receive Michigan achievement scholarship funding under section 248 as a result of exceeding tuition restraint requirements described in section 248.

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History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1627a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1627a.amended MI future educator fellowship program.

Sec. 27a.

(1) From the educator fellowship public provider fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $10,000,000.00, from the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $10,000,000.00, and from the general fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $5,000,000.00 for the MI future educator fellowship program. The funds allocated under this section must be used to offset tuition costs for individuals who are working toward earning their initial teacher certification. At the close of the fiscal year, money allocated under this section that is unspent must be deposited as follows:

(a) For state school aid fund money, into the educator fellowship public provider fund in section 27d.

(b) For general fund money, into the educator fellowship private provider fund in section 27e.

(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 (a):

(a) Be admitted to an eligible educator preparation program; be working toward a teacher certification; be enrolled in enough coursework to be considered enrolled full-time during the academic year, as determined by the student's educator preparation program, or the equivalent of full-time participation for individuals enrolled in an alternative certification program, as

defined by the department; and, for students at institutions of higher education, be considered at least a junior-level student, as determined by the institution of higher education.

(b) Not have previously earned a teacher certification.

(c) Timely complete a grant application in a form and manner prescribed by the department of lifelong education, advancement, and potential.

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

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

(f) 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).

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

(h) 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 full-time continuous enrollment in an eligible educator preparation program, as determined by the educator preparation program, 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 lifelong education, advancement, and potential.

(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 eligible educator preparation program attended, whichever is less. As used in this subsection, the cost of tuition at an educator preparation program that is an institution of higher education is the in-district resident rate plus other required fees, as determined by the department of lifelong education, advancement, and potential; and the cost of tuition at an educator preparation program that is an alternative certification provider is the cost of tuition plus other required fees, as determined by the department of lifelong education, advancement, and potential.

(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 lifelong education, advancement, and potential.

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

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(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, a nonpublic school, a qualifying public preschool program, or a qualifying nonpublic 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, a nonpublic school, a qualifying public preschool program, or a qualifying nonpublic 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, a nonpublic school, a qualifying public preschool program, or a qualifying nonpublic 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, a nonpublic school, a qualifying public preschool program, or a qualifying nonpublic 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 lifelong education, advancement, and potential. The amount of repayment must be reduced proportionate to the number of years worked in public schools, nonpublic schools, qualifying public preschool programs, or qualifying nonpublic preschool programs in this state as a certificated teacher out of 5 years. The department of lifelong education, advancement, and potential shall develop guidance to enforce this subsection.

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

(10) If the amount allocated in subsection (1) is insufficient to fully fund awards under this section, there is appropriated from the educator fellowship public provider fund in section 27d or the educator fellowship private provider fund in section 27e, 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 lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department of lifelong education, advancement, and potential.

(12) The department of lifelong education, advancement, and potential shall report to the chairpersons of the house appropriations subcommittee on school aid and education and the senate appropriations subcommittee on pre-K to 12 by February 15 of the current fiscal year. The report must include the following:

(a) The number and amount of awards granted in the previous fiscal year.

(b) The number of recipients in the previous fiscal year that had their awards converted to loans under subsection (8).

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(13) As used in this section, "eligible educator preparation program" means a public or nonpublic institution of higher education or an alternative route provider that meets all of the following, as applicable:

(a) Is approved by the department to offer teacher preparation programming.

(b) Enrolls 1 or more future educator fellowship recipients.

(c) Has not been deemed as ineligible to receive Michigan achievement scholarship funding under section 248 as a result of exceeding tuition restraint requirements described in section 248.

(d) Includes, as part of its required educator preparation coursework, pedagogical methods grounded in the science of reading. If an educator preparation program does not include pedagogical methods grounded in the science of reading, the program may maintain eligibility by providing to the department of lifelong education, advancement, and potential a detailed public plan, in a form and manner determined by the department of lifelong education, advancement, and potential, to comply with section 1531e of the revised school code, MCL 380.1531e, by not later than September 30, 2027.

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History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1627b Grow your own and educator development and retention programs; competitive grant process; performance reports; 4-tier grants; school librarian specialist certification grants.

Sec. 27b.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed $70,000,000.00 to districts, intermediate districts, and consortia of intermediate districts for grow your own programs and educator development programs as described in this section and subject to subsection (5), and there is allocated for 2026-2027 only an amount not to exceed $25,000,000.00 to districts, intermediate districts, and consortia of intermediate districts for grow your own programs, educator workforce innovation programs, and educator development and retention programs as described in this section.

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

(a) Demonstrated need for funding in the district, intermediate district, or consortium of intermediate districts or the broader community, including projected workforce needs, and a proposed spending plan on how the funds will be used that includes, but is not limited to, administrative costs, expected tuition, fees, and books for the program. Funds used for administrative costs must not exceed 10% of funds received through an award under this section. As used in this subdivision, "administrative costs" includes only costs associated with teacher recruitment, retention, development, innovation, and evaluation.

(b) Number of support staff projected to participate in a program described in this section.

(c) The planned activities for programs described in this section.

(d) Projected outcomes of programs described in this section, which must include, but are not limited to, the following:

(i) Teacher and school leader retention and satisfaction.

(ii) Teacher and school leader efficacy.

(iii) Anticipated school or district partners, evidenced by signed partnership agreements.

(iv) Beginning in 2026-2027, demonstration of addressing projected workforce needs.

(e) Assurances that the programs described in this section 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, fellowship, or student teaching.

(f) Beginning in 2026-2027, assurances that any educator preparation program partnering with the district, intermediate district, or consortium of intermediate districts to support a grow your own program under this section satisfies at least 1 of the following:

(i) Is approved by the department for the preparation of teachers in this state.

(ii) Satisfies both of the following:

(A) Holds national accreditation from the Council for the Accreditation of Education Preparation or the Association for Advancing Quality in Educator Preparation.

(B) Leads to licensure in this state.

(3) Recipients of grants under this section must submit performance reports to the department not less than twice per year. Each report must include the following information:

(a) The number of program participants served and retention in the program or district.

(b) Qualitative and quantitative participant feedback.

(c) Evidence of efficacy and progress toward projected outcomes.

(4) The department shall ensure that all performance reports required under subsection (3) are made publicly available on the department's website.

(5) For 2025-2026 only, grant awards under this section must be structured into 3 tiers, as described in subsections (6), (8), and (11). Beginning in 2026-2027, grant awards under this section must be structured into 4 tiers, as described in subsections (6), (8), (11), and (14), or be used for the purposes described in subsection (17). All programs funded under this section must address a measurable and critical problem related to the health and efficacy of this state's education talent working in Michigan schools and be data- and research-driven, demonstrating effectiveness against intended and measurable outcomes.

(6) For 2025-2026 only, funding for tier 1 grant awards must not exceed $50,000,000.00, unless otherwise directed by the legislature. In 2025-2026, the department shall allocate at least 1 tier 1 grant of not less than $40,000,000.00. For 2026-2027 only, funding for tier 1 grant awards must not exceed $8,000,000.00. Tier 1 grants must sustain or further scale programs that meet all of the following criteria, as applicable:

(a) For 2025-2026 only, have been in operation in this state for at least 5 years, and evaluated for at least 2 years by a rigorous, independent Michigan-based evaluator, and results of the program have been made publicly available.

(b) For 2025-2026 only, have at least 2 consecutive years of public financial audits of the program with no material findings.

(c) For 2025-2026 only, demonstrate broad geographic reach and investment into teachers and school leaders at every experience level, in partnerships established with not fewer than 15 local education agencies across both urban and rural regions, that extend back to the start of the 2023-2024 school year, bound by written agreements that include data sharing with an independent evaluator for evaluation purposes.

(d) For 2025-2026 only, generate private matching funds.

(e) For 2026-2027, have been in operation at least 3 years.

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(f) For 2026-2027, demonstrate a proven track record of success, as evidenced by internal data showing both of the following:

(i) High rates of educator retention within the program, the profession, or participating districts after program completion.

(ii) Active and ongoing engagement and formal partnership with school districts in each of the state's intermediate districts.

(g) For 2026-2027, operate as a statewide program, demonstrating the ability to serve a geographically diverse population, including both urban and rural areas.

(h) For 2026-2027, have a demonstrated track record of receiving private philanthropic or corporate funding.

(7) Notwithstanding section 18a, funds allocated in 2025-2026 for programs described in subsection (6) may be available for expenditure until September 30, 2029. A recipient of funding for a program described in subsection (6) must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2029.

(8) Tier 2 grants must scale or sustain programs that meet all of the following criteria, as applicable:

(a) For 2025-2026 only, have been in operation for at least 3 years.

(b) For 2025-2026 only, demonstrate promising internal results, but are not yet supported by an independent evaluation.

(c) For 2025-2026 only, serve a geographically diverse population, including both urban and rural areas.

(d) Have a demonstrated track record of receiving private philanthropic or corporate funding.

(e) For 2026-2027, have been in operation for at least 4 years.

(f) For 2026-2027, be a Michigan-based nonprofit organization organized under section 501(c)(3) of the internal revenue code, 26 USC 501.

(g) For 2026-2027, serve both K to 12 and the early childhood educator pipelines in a geographically diverse population, including both urban and rural areas.

(h) For 2026-2027, demonstrate promising internal results and have contracted with a third-party research agency.

(i) For 2026-2027, have a demonstrated track record of launching grow your own programs with more than 100 participants in geographically diverse areas of the state.

(j) For 2026-2027, have partnered with at least 9 districts and a national nonprofit strategic staffing organization to adopt innovative staffing models, including strategic staffing.

(k) For 2026-2027, have led at least 1 program that develops school district talent leaders with national best practices and is degree-granting.

(l) For 2026-2027, have partnered with at least 5 of this state's educator preparation programs to improve teacher preparation, teacher candidate experience, and outcomes.

(9) For 2025-2026 only, grant awards for programs described in subsection (8) must not exceed $12,500,000.00 per year. For 2026-2027 only, funding for tier 2 grant awards must not exceed $8,000,000.00.

(10) Notwithstanding section 18a, funds allocated in 2025-2026 for programs described in subsection (8) may be available for expenditure until September 30, 2027. A recipient of funding in 2025-2026 for a program described in subsection (8) must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2027.

(11) Tier 3 grants must scale or sustain programs that meet all of the following criteria, as applicable:

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(a) For 2025-2026 only, have been in operation for fewer than 2 years.

(b) For 2025-2026 only, do not yet have independent evaluation data available.

(c) For 2025-2026 only, are limited in scope or geography.

(d) For 2025-2026 only, include a documented path to scale or expand the program to serve more educators or additional districts.

(e) For 2026-2027, have been in operation for at least 3 years.

(f) For 2026-2027, have an independent evaluation partnership with promising results.

(g) For 2026-2027, are a regional consortium model led by an intermediate district serving between 97,000 and 103,000 students, partnering with not fewer than 35 districts and a regional educator preparation program approved by the department for the preparation of teachers in this state.

(h) For 2026-2027, include a documented path to deepen regional impact or support replication of the program model in additional regions of the state.

(12) For 2025-2026 only, grant awards for programs described in subsection (11) must not exceed $5,000,000.00 per year. For 2026-2027 only, funding for tier 3 grant awards must not exceed $3,000,000.00.

(13) Notwithstanding section 18a, funds allocated in 2025-2026 for programs described in subsection (11) may be available for expenditure until September 30, 2027. A recipient of funding for a program described in subsection (11) must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2027.

(14) Beginning in 2026-2027, tier 4 grants must fund pilot-stage, early-stage, or small programs that meet both of the following criteria:

(a) Do not yet have independent evaluation data available.

(b) Are limited in scope or geography.

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

(16) From the state school aid fund money allocated in subsection (1) for 2026-2027, an amount not to exceed $3,000,000.00 may be awarded by the department for school librarian specialist certification grants. These grants may be awarded to eligible programs that provide a pathway for individuals to receive a school librarian specialist (NQ) endorsement from the department. In awarding grants under this subsection, the department shall prioritize awards for applicants serving in schools that have libraries but do not have staff with a school librarian or equivalent endorsement.

(17) Notwithstanding section 17b, the department shall make payments under this section by not later than December 15, 2026.

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History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

***** 388.1627c THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1627c.amended *****

388.1627c MI future educator student teacher stipend program.

Sec. 27c.

(1) From the state school aid fund money appropriated in section 11, there is allocated $30,000,000.00 for 2025-2026 and from the educator fellowship public provider fund money appropriated in section 11, there is allocated $20,000,000.00 for 2025-2026 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. At the close of the fiscal year, state school aid fund money allocated under this section that is unspent must be deposited into the educator fellowship public provider fund in section 27d.

(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, and be participating in required student teaching coursework. 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 lifelong education, advancement, and potential. 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 lifelong education, advancement, and potential 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. An individual may receive not more than 2 awards under this section.

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

(e) An individual that is a current City Year corps member enrolled in an eligible educator preparation program is eligible for payment under this section.

(3) The department of lifelong education, advancement, and potential 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 lifelong education, advancement, and potential 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. 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.

(5) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department of lifelong education, advancement, and potential.

(6) If the amount allocated in subsection (1) is insufficient to fully fund awards under this section, there is appropriated from the educator fellowship public provider fund in section 27d

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the amount necessary to fully fund the programs described in this section. The state budget director shall notify the house and senate appropriations subcommittees on K to 12 school aid and the house and senate fiscal agencies of any additional appropriation described in this subsection.

(7) 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 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 been deemed as ineligible to receive Michigan achievement scholarship funding under section 248 as a result of exceeding tuition restraint requirements described in section 248.

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History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1627c.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1627c.amended MI future educator student teacher stipend program.

Sec. 27c.

(1) From the state school aid fund money appropriated in section 11, there is allocated $30,000,000.00 for 2026-2027, from the educator fellowship public provider fund money appropriated in section 11, there is allocated $20,000,000.00 for 2026-2027, and from the educator fellowship private provider fund money appropriated in section 11, there is allocated $7,000,000.00 for 2026-2027 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. At the close of the fiscal year, state school aid fund money allocated under this section that is unspent must be deposited into the educator fellowship public provider fund in section 27d.

(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, and be participating in required student teaching coursework. 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 or nonpublic school 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 lifelong education, advancement, and potential. The application must include the district or nonpublic school in which the individual is working as a student teacher and must include a certification by the district or nonpublic school 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 or nonpublic school 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 lifelong education, advancement, and potential 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. An individual may receive not more than 2 awards under this section.

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

(e) An individual that is a current City Year corps member enrolled in an eligible educator preparation program is eligible for payment under this section.

(3) The department of lifelong education, advancement, and potential 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 or nonpublic school. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the department of lifelong education, advancement, and potential shall pay an amount not to exceed $9,600.00 per academic semester to the district or nonpublic school in which the individual is working as a student teacher, and that district or nonpublic school must forward the amount received to the individual's eligible educator preparation program. 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.

(5) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department of lifelong education, advancement, and potential.

(6) If the amount allocated in subsection (1) is insufficient to fully fund awards under this section, there is appropriated from the educator fellowship public provider fund in section 27d and from the educator fellowship private provider fund in section 27e the amount necessary to fully fund the programs described in this section. The state budget director shall notify the house and senate appropriations subcommittees on K to 12 school aid and the house and senate fiscal agencies of any additional appropriation described in this subsection.

(7) Any funds provided to or on behalf of an individual who is completing the required placement under subsection (2) at a nonpublic school must be paid from the educator fellowship private provider fund created under section 27e.

(8) 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 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 been deemed as ineligible to receive Michigan achievement scholarship funding under section 248 as a result of exceeding tuition restraint requirements described in section 248.

(d) Includes, as part of its required educator preparation coursework, pedagogical methods grounded in the science of reading. If an educator preparation program does not meet this standard, the program may maintain eligibility by providing to the department of lifelong education, advancement, and potential a detailed public plan, in a form and manner determined by the department of lifelong education, advancement, and potential, to comply

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with section 1531e of the revised school code, MCL 380.1531e, by not later than September 30, 2027.

History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1627d THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1627d.amended *****

388.1627d Educator fellowship public provider fund.

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 for students admitted to public educator preparation programs and for the purposes described in section 27c.

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History: Add. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

***** 388.1627d.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1627d.amended Educator fellowship public provider fund.

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 and through the provision of professional learning as described under section 35a(10).

(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 for students admitted to public educator preparation programs, for the purposes described in section 27c, and for the purposes described in section 35a(4).

History: Add. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1627e Educator fellowship private provider fund.

Sec. 27e.

(1) The educator fellowship private provider fund is created within the department of treasury for the purpose of improving the educator workforce through recruitment efforts for students attending private educator preparation programs.

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

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

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

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

(6) For the fiscal year ending September 30, 2022 only, $45,000,000.00 from the general fund is deposited into the educator fellowship private programs fund.

History: Add. 2022, Act 144, Imd. Eff. July 14, 2022

388.1627f Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to partnership with Michigan Education Justice Coalition for research.

388.1627g Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

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Compiler's Notes: The repealed section pertained to an allocation to support educator talent initiatives and program.

388.1627h Mentoring grants for teachers, counselors, and administrators.

Sec. 27h.

(1) Subject to the provisions of this subsection, in addition to the money appropriated in section 11, from the state school aid fund there is appropriated for 2024-2025 only for the purposes of this section an amount not to exceed $49,418,800.00. 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. The appropriation and allocations in this section are conditional on the effective issuance of a directive by the state budget director, pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.451a, to lapse all remaining funding from a work project that was established under this section in 2023-2024. The amount appropriated and allocated under this section may not exceed the amount lapsed from the work project as described in the immediately preceding sentence.

(2) From the appropriation under subsection (1), the department shall provide grants to districts for mentor services for teachers and school administrators as required under sections 1249b and 1526 of the revised school code, MCL 380.1249b and 380.1526.

(3) To receive a grant under this section, a district must apply for the grant in a form and manner prescribed by the department, and must ensure that mentoring services funded under this section align with the research-based mentor standards developed by the department under subsection (6), as determined 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) Training for mentor teachers.

(c) 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.

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

(e) Contracting with 1 or more established state professional organizations to provide mentoring services to school administrators. An amount equal to $3,000.00 per administrator per year or the actual program cost, whichever is lesser, of the costs described in this subdivision may be reimbursed from grant funding under subsection (2). The department shall develop a list of approved providers of mentoring activities for school administrators as described in this subdivision. Programs on the list must align with the research-based mentor standards developed under subsection (6).

(5) From the appropriation under subsection (1), there is allocated $1,500,000.00 per year to provide mentoring services for school administrators subject to subsections (3) and (4). Grants

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under this subsection must be awarded in the amount of $3,000.00 per eligible school administrator per year or the actual program cost, whichever is less. If funding under this subsection is not sufficient to fully fund all eligible applicants, the department shall not prorate awards. If funding remains unspent under this subsection after grants to all eligible applicants have been awarded, the department may reallocate those funds to other approved mentoring activities under this section.

(6) From the appropriation 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.

(7) From the appropriation 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 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. 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, 2028.

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

(9) Subject to subsection (7), the funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. 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, 2029. It is the intent of the legislature that up to $10,000,000.00 be expended each year. If the annual expenditures described in this subsection total less than $10,000,000.00 after grants to all eligible applicants have been awarded, the department may reallocate those funds to support mentoring services for other certified educators not otherwise permitted under subsection (2).

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1627i Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to rural educator credentialing hub.

***** 388.1627j THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1627j.amended *****

388.1627j Student loan repayment assistance reserve fund.

Sec. 27j.

(1) The student loan repayment assistance reserve fund is created as a separate account within the state school aid fund to provide supplemental funding for the student loan repayment assistance program in section 27k.

(2) The state treasurer may receive money or other assets from any source for deposit into the student loan repayment assistance reserve fund. The state treasurer shall direct the

investment of the student loan repayment assistance reserve fund. The state treasurer shall credit to the student loan repayment assistance reserve fund interest and earnings from student loan repayment assistance reserve fund investments.

(3) Money in the student loan repayment assistance reserve fund at the close of the fiscal year remains in the student loan repayment assistance reserve fund and does not lapse to the state school aid fund.

(4) The department of treasury is the administrator of the student loan repayment assistance reserve fund for auditing purposes.

(5) Money available in the student loan repayment assistance reserve fund must not be expended without a specific appropriation.

(6) At the close of each fiscal year, unspent funds from state sources allocated in section 27k must be deposited into the student loan repayment assistance reserve fund created in this section.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

***** 388.1627j.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1627j.amended Student loan repayment assistance reserve fund.

Sec. 27j.

(1) The student loan repayment assistance reserve 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 student loan repayment assistance reserve fund. The state treasurer shall direct the investment of the student loan repayment assistance reserve fund. The state treasurer shall credit to the student loan repayment assistance reserve fund interest and earnings from student loan repayment assistance reserve fund investments.

(3) Money in the student loan repayment assistance reserve fund at the close of the fiscal year lapses to the state school aid fund.

(4) The department of treasury is the administrator of the student loan repayment assistance reserve fund for auditing purposes.

(5) Money available in the student loan repayment assistance reserve fund must not be expended without a specific appropriation.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1627k Repealed 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to the student loan repayment program.

***** 388.1627l THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1627l.amended *****

388.1627l Educator compensation program.

Sec. 27l.

(1) From the state school aid fund money appropriated in section 11, there is allocated $203,000,000.00 for 2024-2025 only, and from the MPSERS obligation reform reserve fund money appropriated under section 11, there is allocated the remaining balance, estimated at $147,300,000.00 for 2024-2025 only to districts and intermediate districts for the purposes of this section. The state school aid fund allocation in this section is conditional on the effective issuance of a directive by the state budget director, pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.451a, to lapse all remaining funding from a work project that was established under section 27k in 2023-2024. The amount allocated from the state school aid fund under this section may not exceed the amount lapsed from the work project as described in the immediately preceding sentence.

(2) The state school aid fund money allocated in subsection (1) is allocated to districts and intermediate districts in an equal amount per pupil. Subject to subsection (3), a district or intermediate district shall use all of the funding allocated under this subsection to increase compensation for educators in the district or intermediate district.

(3) If there are 1 or multiple labor unions representing educators in the district or intermediate district, the district or intermediate district shall bargain any increases in compensation under subsection (2) with those unions. All payments to educators made by districts or intermediate districts with funds allocated under subsection (2) shall be in addition to any existing compensation negotiated in a collective bargaining agreement.

(4) The MPSERS obligation reform reserve fund money allocated in subsection (1) is allocated for payments to participating entities to offset normal costs associated with retiree health benefits. The amount allocated to each participating entity under this subsection must be based on the participating entity's proportion of the total funding distributed in 2024-2025 under section 147g. Participating entities must use funding distributed under this subsection as an offset for normal costs associated with retiree health benefits.

(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 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to increase compensation for educators and offset normal costs associated with retiree health care benefits. The estimated completion date of the work project is September 30, 2026.

(7) As used in this section:

(a) "Educator" includes, but is not limited to, teachers, librarians, speech therapists, language therapists, physical therapists, occupational therapists, school counselors, school social workers, school psychologists, school nurses, paraprofessionals aids, food service workers, custodians, bus drivers, and literacy coaches. Educator also includes any other school employee covered under a collective bargaining agreement.

(b) "Participating entity" means a district, intermediate district, district library, 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.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1627l.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1627l.amended Educator compensation program; 1-time bonus payments.

Sec. 27l.

(1) From the state school aid fund money appropriated in section 11, there is allocated $150,000,000.00 for 2026-2027 only to districts and intermediate districts in an equal amount per pupil. Subject to subsection (2), a district or intermediate district shall use all of the funding allocated under this subsection to increase compensation for educators in the district or intermediate district.

(2) If there are 1 or multiple labor unions representing educators in the district or intermediate district, the district or intermediate district shall bargain any increases in compensation under subsection (1) with those unions. All payments to educators made by districts or intermediate districts with funds allocated under subsection (1) shall be in addition to any existing compensation negotiated in a collective bargaining agreement.

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

(4) The funds appropriated under this section for payments to educators are 1-time bonus payments. Pursuant to section 3a(3) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1303a, payments under this section are not considered compensation for retirement purposes and are not subject to member or employer contribution requirements under the Michigan public school employees' retirement system (MPSERS).

(5) As used in this section, "Educator" includes, but is not limited to, teachers, librarians, speech therapists, language therapists, physical therapists, occupational therapists, school counselors, school social workers, school psychologists, school nurses, paraprofessionals aids, food service workers, custodians, bus drivers, and literacy coaches. Educator also includes any other school employee covered under a collective bargaining agreement.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1627m THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1627m.amended *****

388.1627m Awards for teachers with National Board Certification.

Sec. 27m.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only, $4,000,000.00 to districts and intermediate districts to fund financial awards to eligible Michigan teachers who hold National Board Certification.

(2) A district or intermediate district must apply in a form and manner determined by the department. Awards must be granted as $4,000.00 to all eligible teachers who hold National Board Certification, and an additional $6,000.00 for eligible teachers who hold National Board Certification and serve in Title I schools.

(3) To be eligible to receive an award, eligible teachers must meet the following, as applicable:

(a) Be employed in classroom teaching at least 50% of the teacher's full-time hours, as determined by the district or intermediate district.

(b) To receive an award under subsection (4), hold National Board Certification by January 1, 2024.

(4) Subject to subsection (6), and notwithstanding section 17b, awards under subsection (2) must be paid to the districts and intermediate districts by April 30, 2024.

(5) If the amount allocated under subsection (1) is insufficient to fully make payments to all eligible participants as required under subsection (1), the department shall prorate the amount paid to districts and intermediate districts to distribute to all eligible participants on an equal basis.

(6) If funding remains after the awards under subsection (4) are granted, the department shall grant additional awards under subsection (2) on a first-come, first-served basis. An eligible teacher may receive more than 1 award under subsection (2), but shall not receive more than 1 award in a single fiscal year.

(7) In addition to the funds allocated in subsection (1), an amount not to exceed $1,000,000.00 for 2023-2024 only from the state school aid fund money appropriated in section 11 must be used for eligible teachers to cover National Board for Professional Teaching Standards Certification fees for first-time candidates in Title I schools.

(8) A district or intermediate district shall apply for funding under subsection (7) in a form and manner determined by the department. The department shall approve applications under subsection (7) on a first-come, first-served basis. Notwithstanding section 17b, awards under subsection (7) must be paid on a schedule determined by the department.

(9) 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 enable and encourage teachers to get National Board Certification. The estimated completion date of the work project is September 30, 2026.

(10) As used in this section, "eligible teacher" includes individuals who hold a valid or expired Michigan teaching certificate and are employed by the district or intermediate district as teachers, including those in teacher leadership roles as a peer assistance and review coach, mentor, or other teacher support provider if the position does not require a school administrator certificate.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023

***** 388.1627m.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1627m.amended Awards for teachers with National Board Certification.

Sec. 27m.

(1) Subject to the provisions in this subsection, and in addition to the funds appropriated in section 11, from the state school aid fund, there is appropriated and allocated an amount not to exceed $2,500,000.00 to districts and intermediate districts to fund financial awards to eligible teachers who hold National Board Certification. The appropriation and allocation under this subsection is contingent on the effective issuance of a directive by the budget director, pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a, to

lapse the remaining funding from a work project that was established under this section in 2023-2024. The amount allocated under this subsection may not exceed the amount lapsed from the work project referenced in the immediately preceding sentence.

(2) A district or intermediate district must apply in a form and manner determined by the department. Awards must be granted as $4,000.00 to all eligible teachers who hold National Board Certification, and an additional $6,000.00 for eligible teachers who hold National Board Certification and serve in Title I schools.

(3) The department shall grant awards under this section on a first-come, first-served basis. An eligible teacher shall not receive more than 1 award in a single fiscal year.

(4) The funds allocated under this section for 2026-2027 are a work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028. The purpose of the work project is to enable and encourage teachers to get National Board Certification. The estimated completion date of the work project is September 30, 2029.

(5) The funds appropriated under this section are 1-time bonus payments. Pursuant to section 3a(3) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1303a, these payments are not considered compensation for retirement purposes and are not subject to member or employer contribution requirements under the Michigan public school employees' retirement system (MPSERS).

(6) As used in this section, "eligible teacher" includes individuals who hold a valid or expired Michigan teaching certificate and are employed by the district or intermediate district as teachers, including those in teacher leadership roles as a peer assistance and review coach, mentor, or other teacher support provider if the position does not require a school administrator certificate.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1627n Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to the Accelerated Certification with Residency Program at Saginaw Valley State University.

***** 388.1627o.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1627o.added Statewide digital credentialing program for students and educators.

Sec. 27o.

(1) From the state school aid fund money appropriated in section 11, there is allocated $3,000,000.00 for 2026-2027 only to an intermediate district to support a statewide digital credentialing initiative for students in CTE programs and educators. The digital credentialing initiative must provide students and instructional staff with access to a verifiable, portable, and accessible digital record of skills, competencies, and achievements that may be securely shared with employers, postsecondary institutions, and workforce partners across this state, supporting Michigan's economic workforce competitiveness by improving skills transparency and portability statewide.

(2) Funds received under this section must be awarded to an intermediate district to partner with a nonprofit organization with demonstrated experience in digital credentialing and workforce-aligned talent record systems.

(3) The digital credentialing initiative must enable CTE students statewide, including program completers and individuals demonstrating proficiency in Perkins V-aligned competencies, to earn verified, portable digital credentials documenting career pathway achievements, workforce readiness, and postsecondary readiness. Credentials must be aligned to department-approved CTE programs and statewide competency frameworks to ensure consistency and portability across regions.

(4) The digital credentialing initiative must include, at a minimum, both of the following:

(a) Development of digital credentials for CTE program completion, work-based learning, youth apprenticeship, and soft skills. All credentials must be stored, including industry-recognized credits. Credentials must be maintained within a statewide credential library to support consistent issuance, validation, and recognition across this state. These achievements must be showcased in a digital, portable portfolio that organizes and displays verified credentials, skills, competencies, and achievements and can be securely shared.

(b) Digital credentials for educators that track literacy professional development for educators, including the completion of LETRS training or other science of reading-based training. Credentials issued for the completion of LETRS training must be competency based, verifiable, and electronically shareable by the educator. Each credential must document the specific level or unit completed and the date of completion.

(5) The development of digital credentials for CTE program completion described in subsection (4)(a) must align with state and regional workforce and education systems to support Michigan's economic workforce competitiveness and regional talent pipeline needs, while ensuring statewide consistency and portability of credentials. The administering nonprofit organization shall provide statewide implementation support and submit an annual report to the department detailing adoption, credential issuance by type and region, and progress toward improving statewide CTE-to-workforce outcomes.

(6) The administering nonprofit organization shall provide participant-level data in a form and manner prescribed by the department to support credential issuance, registry reporting, and integration with statewide education data systems. Data submitted under this section must align with statewide education data infrastructure standards, including coordination with MiDataHub and MiGreatDataLake.

(7) The digital credentialing initiative must annually report to the department, to the extent not otherwise collected through existing reporting systems, the name, personnel identification code, employing district or entity, level or unit completed, date of completion, and credential status for each educator participating in LETRS training funded under section 35a. The department may incorporate this information into a statewide educator workforce profile system.

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

(9) As used in this section:

(a) "CTE program" means a career and technical education program.

(b) "CTE student" means a pupil enrolled in a career and technical education program.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1627o, which pertained to the Learner Wallet pilot tutoring initiative, was repealed by Act 15 of 2025, Imd. Eff. Oct. 7, 2025.

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388.1627p Apprenticeship model grow your own program.

Sec. 27p.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed $12,500,000.00 to Marquette-Alger RESA for an apprenticeship model grow your own program as part of a consortia of at least 45 intermediate districts.

(2) The intermediate district receiving funding under this section shall use the funding to implement a grow your own program. A grow your own program described in this section 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 under this section include, but are not limited to, all of the following:

(a) Tuition and fees for an accelerated degree, for a traditional bachelor's degree for current candidates who are not teachers, or for an advanced degree. As used in this subdivision, "advanced degree" includes, but is not limited to, a postbaccalaureate credential or certificate.

(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 to 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) An intermediate district may not concurrently receive funding under this section and receive funding under section 27b for 2022-2023, unless already awarded by the department under section 27b before July 1, 2024. An intermediate district receiving funding under this section shall not give funding received under this section to a constituent district that is receiving funding under section 27b.

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

(5) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue support for the grow your own programs under this section. The estimated completion date of the work project is September 30, 2027.

History: Add. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1627q Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Hamtramck school district for accelerated learning coaches.

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388.1627r West Michigan Teacher Collaborative; grow your own program.

Sec. 27r.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed $7,000,000.00 to Kent ISD for the West Michigan Teacher Collaborative as a part of a consortium of at least 3 intermediate districts. The West Michigan Teacher Collaborative shall use the funding to implement a grow your own program.

(2) A grow your own program described in this section 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 under this section include, but are not limited to, all of the following:

(a) Tuition and fees for an accelerated degree, for a traditional bachelor's degree for current candidates who are not teachers, or for an advanced degree. As used in this subdivision, "advanced degree" includes, but is not limited to, a postbaccalaureate credential or certificate.

(b) Books and supplies.

(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 grades 6 to 12 to consider a career in education. Not more than 10% of the funding may be used for this purpose.

(3) In addition to the allowable uses in subsection (2), the West Michigan Teacher Collaborative may use the money received under this section for any of the following purposes:

(a) Recruiting, retaining, and developing teachers to ensure greater efficacy, satisfaction, and outcomes.

(b) Serving as a convener and model for other local and intermediate school districts interested in developing and improving grow your own programs.

(c) Engaging in rigorous program evaluation and research so that this state can learn from its investments and innovations and become a top state for educators.

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

(5) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue support for the grow your own programs under this section. The estimated completion date of the work project is September 30, 2028.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1627s Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to Black Male Educators Alliance.

***** 388.1627t.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1627t.added Educator-on-loan program.

Sec. 27t.

From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $500,000.00 to 1 or more districts or intermediate districts participating in the educator-on-loan program established by the department. Permissible uses of funds under this section include, but are not limited to, paying additional costs associated with hiring an employee in the Michigan public school employees' retirement system and other employment-related costs, such as employee benefits. Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1628 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1628.amended *****

388.1628 Weighted foundation allowance allocations or additional payments for differential instructional costs.

Sec. 28.

(1) To recognize differentiated instructional costs for different types of pupils as well as additional costs to provide essential services in 2025-2026, 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, $12,873,100.00.
(b) Section 22l, transportation reimbursement, $125,000,000.00.
(c) Section 29, declining enrollment, $71,000,000.00.
(d) Section 31a, at risk, $1,293,655,000.00.
(e) Section 32d, great start readiness program, $656,217,600.00.
(f) Section 41, bilingual education for English language learners, $62,732,600.00.
(g) Section 51c, special education, mandated percentages, $1,107,900,000.00.
(h) Section 54d, early on, $23,670,700.00.
(i) Section 61a, career and technical education, standard reimbursement, $41,733,800.00.
(j) Section 61d, career and technical education incentives, $13,400,000.00.

(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).

History: Add. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: Former MCL 388.1628, which pertained to a reduction of allocations, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.

***** 388.1628.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

CAUTION! This document is from an archive and may contain outdated information.

388.1628.amended Weighted foundation allowance allocations or additional payments for differential instructional costs.

Sec. 28.

(1) To recognize differentiated instructional costs for different types of pupils as well as additional costs to provide essential services in 2026-2027, 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 22b, weighted foundation payment, $1,627,655,100.00.

(b) Section 22d, isolated and rural districts, $14,184,400.00.

(c) Section 22l, transportation reimbursement, $125,000,000.00.

(d) Section 32d, great start readiness program, $730,356,100.00.

(e) Section 51c, special education, mandated percentages, $1,141,700,000.00.

(f) Section 54d, early on, $26,081,900.00.

(g) Section 61a, career and technical education, standard reimbursement, $45,985,000.00.

(h) Section 61b, career and technical education, early middle college and career and technical education, $9,220,400.00.

(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).

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History: Add. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1628, which pertained to a reduction of allocations, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.

388.1628a Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to transitional allocations to closed federal military installations.

388.1629 Enrollment stabilization fund.

Sec. 29.

(1) The enrollment stabilization fund is created as a separate account in the state school aid fund for the purpose of stabilizing the effects of declining enrollment.

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

(3) Money in the enrollment stabilization fund at the close of the fiscal year remains in the enrollment stabilization 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 enrollment stabilization fund for auditing purposes.

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

(6) From the enrollment stabilization fund money appropriated under section 11, there is allocated an amount not to exceed $71,000,000.00 for 2025-2026 for districts and intermediate districts for which membership in the immediately preceding fiscal year, as calculated under section 6 in the immediately preceding fiscal year, exceeds membership in the current fiscal year, as calculated under section 6 in the current fiscal year.

(7) The allocation under subsection (6) must be an amount equal to the sum of the product of .50 and the district's or intermediate district's membership for the immediately preceding fiscal year, as calculated under section 6 of the immediately preceding fiscal year, and the product of .50 and the district's or intermediate district's membership in the current fiscal year, as calculated under section 6 of the current fiscal year, minus the district's or intermediate district's membership in the current fiscal year, as calculated under section 6 of the current fiscal year, multiplied by the target foundation allowance for the current fiscal year.

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History: Add. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Former MCL 388.1629, which pertained to declining enrollment assistance, was repealed by Act 62 of 2011, Eff. Oct. 1, 2011.

388.1629a Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to payments to eligible districts in 2020-2021 for pupils in membership.

388.1630c Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the troops-to-teachers initiative.

***** 388.1630d THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1630d.amended *****

388.1630d Payments to participants in the National School Lunch Program; free school lunch and breakfast.

Sec. 30d.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $200,000,000.00 for 2025-2026, and from the general fund money appropriated in section 11, there is allocated an amount not to exceed $1,600,000.00 for 2025-2026 only for the purpose of making payments to participating entities to provide free school lunch and breakfast to public school and nonpublic school pupils in grades pre-K to 12.

(2) To receive funding under 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.

(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) Meet all applicable state and federal standards in its school breakfast and lunch programs, as determined by the department.

(e) Take 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) Forgive all school meal debt related to federally reimbursable meals, as determined by the department.

(3) Participating entities are encouraged 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. Participating entities are encouraged to purchase food from Michigan growers when possible and practical.

(4) 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 pursuant to 7 CFR 226.9, 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.

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

(6) 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, nonpublic school, or the Michigan Schools for the Deaf and Blind.

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(7) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is insufficient to fully reimburse districts for meals as required in this section, there is appropriated from the school meals reserve fund created in section 30e the amount necessary to fully fund these reimbursements.

History: Add. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: In subsection (4), the citation to "42 USC 21 1771 to 1793" evidently should read "42 USC 1771 to 1793".

***** 388.1630d.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1630d.amended Payments to participants in the National School Lunch and School Breakfast Program; free school lunch and breakfast.

Sec. 30d.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $200,000,000.00 for 2026-2027, and from the general fund money appropriated in section 11, there is allocated an amount not to exceed $2,000,000.00 for 2026-2027 for the purpose of making payments to participating entities to provide free school lunch and breakfast to public school and nonpublic school pupils in grades pre-K to 12.

(2) To receive funding under this section, a participating entity must participate in the National School Lunch Program and School Breakfast 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.

(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) Meet all applicable state and federal standards in its school breakfast and lunch programs, as determined by the department.

(e) Take 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) Forgive all school meal debt related to federally reimbursable meals, as determined by the department.

(3) Participating entities are encouraged 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. Participating entities are encouraged to purchase food from Michigan growers when possible and practical.

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(4) 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 pursuant to 7 CFR 226.9, 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.

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

(6) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is insufficient to fully reimburse districts for meals as required in this section, there is appropriated from the school meals reserve fund created in section 30e the amount necessary to fully fund these reimbursements.

(7) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is insufficient to fully reimburse nonpublic schools for meals as required in this section, there is appropriated from the general pupil support reserve fund created in section 22s the amount necessary, not to exceed $1,000,000.00, to fund these reimbursements.

(8) 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, nonpublic school, or the Michigan Schools for the Deaf and Blind.

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History: Add. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: In subsection (4), the citation to "42 USC 21 1771 to 1793" evidently should read "42 USC 1771 to 1793".

388.1630e School meals reserve fund.

Sec. 30e.

(1) The school meals reserve fund is created as a separate account in the state school aid fund for the purpose of covering the cost of student school meals.

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

(3) Money in the school meals reserve fund at the close of the fiscal year remains in the school meals reserve 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 meals reserve fund for auditing purposes.

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

(6) For the fiscal year ending September 30, 2023 only, $245,000,000.00 from the state school aid fund is deposited into the school meals reserve fund.

(7) At the close of each fiscal year, unspent funds from state sources allocated in sections 30d, 31d, and 31f must be deposited into the school meals reserve fund.

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History: Add. 2023, Act 103, Imd. Eff. July 21, 2023

388.1631 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to comprehensive compensatory education programs.

***** 388.1631a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1631a.amended *****

388.1631a Allocations to eligible districts and eligible public school academies; proficiencies; funding eligibility; early literacy and numeracy; multi-tiered system of supports; weighted foundation per-pupil payment for economically disadvantaged pupils; school breakfast program; hearing and vision screenings; report; audit; implementation of schoolwide reform in schools with at-risk pupils; research based professional development; pre-kindergarten instructional and noninstructional services; dissolved district; anti-bullying or crisis intervention program; assignment of Pathways to Potential success coaches; definitions.

Sec. 31a.

(1) There is allocated for 2025-2026 an amount not to exceed $1,336,805,000.00 from the state school aid fund money appropriated in section 11 and an amount not to exceed $1,500,000.00 from the general fund money appropriated in section 11 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), (8), and (23).

(2) For a district or public school academy to be eligible to receive funding under this section, other than funding under subsection (7), (8), or (23), 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 must 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 2025-2026 an amount not to exceed $1,293,655,000.00 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 a percentage calculated under subsection (4) multiplied by 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 membership count day of the immediately preceding fiscal year.

(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

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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) Each district or public school academy must be assigned an opportunity index score each fiscal year, the value of which is the quotient of the number of economically disadvantaged pupils as determined under subsection (3) for the district or public school academy and the total number of pupils in the district or public school academy in the immediately preceding fiscal year, multiplied by 100 and rounded up to the nearest whole number. Each district or public school academy must be assigned an opportunity index band as follows:

(a) A district or public school academy with an opportunity index score greater than or equal to 0 but less than 20 must be assigned to band 1 and shall receive reimbursement under subsection (3) at a rate of at least 35.0% and less than 36.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 1, multiplied by the band adjustment factor applicable to this subdivision, plus 35.0%.

(b) A district or public school academy with an opportunity index score greater than or equal to 20 but less than 44 must be assigned to band 2 and shall receive reimbursement under subsection (3) at a rate of at least 36.0% and less than 37.5%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 20, multiplied by the band adjustment factor applicable to this subdivision, plus 36.0%.

(c) A district or public school academy with an opportunity index score greater than or equal to 44 but less than 59 must be assigned to band 3 and shall receive reimbursement under subsection (3) at a rate of at least 37.5% and less than 39.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 44, multiplied by the band adjustment factor applicable to this subdivision, plus 37.5%.

(d) A district or public school academy with an opportunity index score greater than or equal to 59 but less than 73 must be assigned to band 4 and shall receive reimbursement under subsection (3) at a rate of at least 39.0% and less than 42.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 59, multiplied by the band adjustment factor applicable to this subdivision, plus 39.0%.

(e) A district or public school academy with an opportunity index score greater than or equal to 73 but less than 85 must be assigned to band 5 and shall receive reimbursement under subsection (3) at a rate of at least 42.0% and less than 47.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 73, multiplied by the band adjustment factor applicable to this subdivision, plus 42.0%.

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(f) A district or public school academy with an opportunity index score greater than or equal to 85 must be assigned to band 6 and shall receive reimbursement under subsection (3) at a rate of 47.0%.

(g) As used in this subsection, "band adjustment factor" means an amount equal to the difference between the lowest and highest reimbursement bounds for each band, divided by the number of possible opportunity index scores in that band.

(5) 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), (8), or (23). 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 (3), 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.

(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.

(7) From the state school aid fund money allocated under subsection (1), there is allocated for 2025-2026 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 and underserved counties as determined by the department of health and human services. An amount equal to 4% of the funds allocated under this subsection must be made available for technical support and coordination services from a nonprofit organization exclusively dedicated to serving adolescent health centers in this state and 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.

(8) From the state school aid fund money allocated under subsection (1), there is allocated for 2025-2026 an amount not to exceed $10,150,000.00 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 2025-2026 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

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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.

(9) 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.

(10) 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.

(11) Subject to subsections (6), (7), (8), and (23), for schools in which more than 40% of pupils are identified as at-risk, 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.

(12) 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 (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 (2), with fidelity.

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(13) A district or public school academy that receives funds under subsection (3) may use funds received under subsection (3) for support staff providing services to at-risk pupils.

(14) A district or public school academy may use up to 60% of the funds it receives under this section for the following purposes:

(a) Up to 30% to reduce the teacher to pupil ratio in grades K to 3.

(b) Up to 30% to support retention and recruitment efforts that help reduce staff turnover and vacancies of instructional and support staff if the district or public school academy is assigned to opportunity index band 4, 5, or 6.

(15) Funds used as described in subsection (14) must align with the needs assessment and the multi-tiered system of supports model. A district or public school academy shall not use any of the money described in subsection (14) for administrative costs or to supplant existing funding, including, but not limited to, maintaining existing salaries or costs. A district or public school academy shall report its intent to use funds described in subsection (14) to the department by not later than November 1 of the current fiscal year.

(16) A district or public school academy determined to be eligible to use a portion of funds received under subsection (3) for the purposes described in subsection (14) retains the ability to use funding for the purposes described in subsection (14) for the fiscal year in which eligibility was determined plus 2 additional fiscal years beyond that fiscal year.

(17) Beginning with the fiscal year ending September 30, 2026, and each year thereafter, for a district receiving funding under this section through the opportunity index formula, the district must provide a report to parents or legal guardians that details the amount of funding received under that allocation, how the district distributed that funding in a way to target buildings with the highest needs, and what evidence-based interventions were implemented with those dollars. The report must include a method, including contact information, for parents or legal guardians to provide feedback on the use of these dollars as well as to seek more information about services and interventions available for their children.

(18) 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 at-risk pupils.

(19) Except as otherwise provided in this subsection, if necessary, the department shall prorate payments under this section, except payments under subsection (7), (8), or (23), by reducing the amount of the allocation as otherwise calculated under this section by an equal percentage per district. Subject to the availability of funds, if proration is necessary under this subsection, the department must ensure that no district receives an amount less than 11.5% of the target foundation for each economically disadvantaged pupil enrolled in the district.

(20) 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.

(21) 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.

(22) 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.

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(23) From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed $10,000,000.00 for an electronic patient data and health care analytic system to be made available to each child and adolescent health center program. The department of health and human services shall collaborate on system implementation with a nonprofit organization exclusively dedicated to serving child and adolescent health center programs in this state and that has a membership that includes federally qualified health centers, local public health departments, hospital systems, and public school districts, including, but not limited to, technology assessment, design, coordination, and system implementation with child and adolescent health center programs. Funds appropriated under this subsection 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 implement an electronic patient data and health care analytic system. The estimated completion date of the work project is September 30, 2028.

(24) 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) "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.

(c) "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.

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History: Add. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Imd. Eff. July 12, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1,

2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2004, Act 593, Imd. Eff. Jan. 5, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 121, Imd. Eff. Apr. 14, 2006 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 139, Eff. Oct. 7, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase “and for 2002-2003 an amount not to exceed $319,095,200.00” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

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Compiler's Notes: Enacting section 1 of Act 476 of 2014 provides:"Enacting section 1. Section 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a, as amended by this amendatory act, does not take effect unless House Joint Resolution UU of the 97th Legislature becomes a part of the state constitution of 1963 as provided in section 1 of article XII of the state constitution of 1963."House Joint Resolution UU was presented to the electors as Proposal 15-1 at the May 5, 2015 special election. The proposal to amend the constitution was not approved by the voters and Act 476 of 2014 does not go into effect.Enacting section 1 of Act 139 of 2015 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2015 PA 85 and this amendatory act for fiscal year 2015-2016 is estimated at $12,124,885,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,967,255,600.00."

***** 388.1631a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1631a.amended Allocations for child and adolescent health centers; hearing, vision, and dental screenings.

Sec. 31a.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 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 and underserved counties as determined by the department of health and human services. An amount equal to 4% of the funds allocated under this subsection must be made available for technical support and coordination services from a nonprofit organization exclusively dedicated to serving adolescent health centers in this state and 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.

(2) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $10,150,000.00 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 appropriated in section 11, there is allocated for 2026-2027 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.

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

History: Add. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Imd. Eff. July 12, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2004, Act 593, Imd. Eff. Jan. 5, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 121, Imd. Eff. Apr. 14, 2006 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 139, Eff. Oct. 7, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase “and for 2002-2003 an amount not to exceed $319,095,200.00” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting

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section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

Compiler's Notes: Enacting section 1 of Act 476 of 2014 provides:"Enacting section 1. Section 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a, as amended by this amendatory act, does not take effect unless House Joint Resolution UU of the 97th Legislature becomes a part of the state constitution of 1963 as provided in section 1 of article XII of the state constitution of 1963."House Joint Resolution UU was presented to the electors as Proposal 15-1 at the May 5, 2015 special election. The proposal to amend the constitution was not approved by the voters and Act 476 of 2014 does not go into effect.Enacting section 1 of Act 139 of 2015 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2015 PA 85 and this amendatory act for fiscal year 2015-2016 is estimated at $12,124,885,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,967,255,600.00."

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388.1631b Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to grants for balanced calendar instructional programs.

388.1631c Class size reduction pilot program; grades K to 3.

Sec. 31c.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed $65,000,000.00 for grants to eligible districts for pilot programs to maintain or establish small classes in grades K to 3 in eligible school buildings in the district.

(2) To be eligible for a grant under subsection (1), a district must have at least 1 eligible school building and must apply to the department in the form and manner prescribed by the department. A district shall include in its application a projected budget for maintaining or establishing small classes in grades K to 3 and shall demonstrate in the projected budget that at least 10% of the funds received by the district under section 31a will be used to support small classes under this section.

(3) For a school building to be considered an eligible school building under subsection (2), the school building must meet all of the following requirements:

(a) Operate at least 1 of grades K to 3.

(b) Be operated by a district that operates all of grades K to 12 and that receives funds under section 31a.

(c) Be located in a district that is in an opportunity index band, as described in section 31a, of 4 or higher.

(4) Not more than 25% of the total allocation under this section may be paid to any single district. The department shall make allocations under this section to districts that are geographically diverse, including urban, suburban, and rural districts. Grants issued under this section must be awarded to at least the following districts:

(a) Muskegon Heights Public School Academy System.
(b) Benton Harbor Area Schools.
(c) Flint School District.
(d) Wayne-Westland Community School District.

(5) A district that receives funds under this section shall use the funds to maintain or establish small classes in grades K to 3 in school buildings of the district for which funds are received under this section. The average class size must be not more than 17 pupils per class, with not more than 19 pupils in any particular class. A district that receives funds under this section shall use at least 10% of the funds the district receives for 2025-2026 under section 31a for the purposes of this section.

(6) Funding to districts under this section for 2025-2026 is intended to be for the first of 2 years of funding.

(7) The funds allocated in this section are a work project appropriation, and any unexpended funds for 2025-2026 are carried forward into 2026-2027. The purpose of the work project is to lower class sizes in grades K to 3. The estimated completion date of the work project is September 30, 2030.

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

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History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026
Compiler's Notes: Former MCL 388.1631c, which pertained to the literacy tutoring services and enrichment programs, was repealed by Act 103 of 2023, Eff. Oct. 1, 2023.

***** 388.1631d THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1631d.amended *****

388.1631d Reimbursement to districts and other eligible entities providing lunch programs, child nutrition programs, and food distribution programs.

Sec. 31d.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $29,553,400.00 for 2025-2026 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 2025-2026 all available federal funding, estimated at $901,400,000.00 for child nutrition programs and, for 2025-2026, all available federal funding, estimated at $22,000,000.00, 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.

(8) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is insufficient to fully reimburse districts for meals as required under this section, there is appropriated from the school meals reserve fund created under section 30e the amount necessary to fully fund these reimbursements.

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History: Add. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963,

total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."

***** 388.1631d.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1631d.amended Reimbursement to districts and other eligible entities providing lunch programs, child nutrition programs, and food distribution programs.

Sec. 31d.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $29,553,400.00 for 2026-2027 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 2026-2027 all available federal funding, estimated at $418,267,600.00 for child nutrition programs and, for 2026-2027, all available federal funding, estimated at $100.00, 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.

(8) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is insufficient to fully reimburse districts for meals as required under this section, there is appropriated from the school meals reserve fund created under section 30e the amount necessary to fully fund these reimbursements.

History: Add. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year

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2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."

388.1631e Repealed. 2004, Act 351, Eff. Oct. 1, 2004.

Compiler's Notes: The repealed section pertained to reimbursement for cost of providing breakfast.

***** 388.1631f THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1631f.amended *****

388.1631f School breakfast program costs; reimbursement payments; preference to food grown or produced by Michigan businesses.

Sec. 31f.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $16,900,000.00 for 2025-2026 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 state 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.

(6) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is insufficient to fully reimburse districts for meals as required under this section, there is appropriated from the school meals reserve fund created under section 30e the amount necessary to fully fund these reimbursements.

History: Add. 2005, Act 155, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60,

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Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."

***** 388.1631f.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1631f.amended School breakfast program costs; reimbursement payments; preference to food grown or produced by Michigan businesses.

Sec. 31f.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $16,900,000.00 for 2026-2027 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).

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(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 state 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.

(6) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is insufficient to fully reimburse districts for meals as required under this section, there is appropriated from the school meals reserve fund created under section 30e the amount necessary to fully fund these reimbursements.

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History: Add. 2005, Act 155, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."

388.1631g Student wellness software pilot program case study.

Sec. 31g.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $1,250,000.00 for 2024-2025 only to Lenawee Intermediate District for a student wellness software pilot program case study that will encompass a diverse range of districts that offer grades 3 to 12, representing urban, rural, and suburban communities. The case study described in this section must be used to provide to the department evidence of trends in the following areas:

(a) Absenteeism.
(b) Suspensions and expulsions.
(c) Behavior incidents.
(d) Students feeling connected.
(e) Student sense of belonging.
(f) Student self-esteem.
(g) Student motivation.
(h) Dropout rate.
(i) Anxiety and depression.
(j) Student sense of safety at school.

(2) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue to provide support for the pilot program described in subsection (1). The estimated completion date of the work project is September 30, 2027.

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

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024
Compiler's Notes: Former MCL 388.1631g, which pertained to allocation for contract with provider to provide online, research-based, secure, personal health and nutrition education software platform in sample of pilot schools, was repealed by Act 5 of 2015, Eff. Mar. 10, 2015.

388.1631h Repealed. 2017, Act 108, Eff. Oct. 1, 2017.

Compiler's Notes: The repealed section pertained to funding districts that educate nonresident pupils as result of high school closures.

***** 388.1631j.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1631j.added Allocation to support locally grown products; matching reimbursements; district requirements; report.

Sec. 31j.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $4,000,000.00 for 2026-2027 for a program to support districts in the purchase of locally grown fruits, vegetables, and legumes as described in this section.

(2) Funding under this section retained by the department for administration must not exceed 5%. Funding under this section retained by project partners for data collection, outreach, and training must not exceed 2% for each partner.

(3) The department shall develop and implement a competitive grant program for districts to assist in paying for the costs incurred by the district 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 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. The department shall collaborate with the Michigan department of agriculture and rural development to provide training to newly participating schools 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 that receives a grant under this section shall use those funds for the costs incurred by the district to do both of the following:

(a) Purchase whole or minimally processed fruits, vegetables, and legumes that meet both of the following:

(i) 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 October 1 through September 30 of that fiscal year.

(ii) Are grown in this state and, if minimally processed, are also processed in this state.

(b) Pay for labor and food transportation of locally grown fruits, vegetables, and legumes that directly support the activities and goals of the program described in this section. The amount paid under this subdivision must not exceed 25% of the grant award.

(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 on plans for educational activities that promote the goals of the program.

(8) The department shall give preference to districts that propose educational activities that meet 1 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.

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

(c) Existing or planned collaboration 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 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 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 and school 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. By 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 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. 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, along with the number of different types of products purchased; school 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 shall use purchasing data collected for the program and surveys of school 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 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; 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 shall use purchasing data collected for the project, meal count and enrollment numbers, school menu calendars, and surveys of school food service directors as the source for the data described in subparagraph (i).

(11) The department shall compile the reports provided by districts under subsection (10) into 1 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.

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

History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1631j, which pertained to a competitive grant program for the purchase of locally grown fruits, vegetables, and legumes, was repealed by Act 15 of 2025, Imd. Eff. Oct. 7, 2025.

388.1631k Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to student meal debt forgiveness reimbursement.

388.1631m Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the school mental health and support services fund.

***** 388.1631n THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1631n.amended *****

388.1631n Licensed behavioral health providers for general education pupils; advisory council; application; services by child and adolescent health centers; services to nonpublic students; measurements of outcomes and performance.

Sec. 31n.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 for the purposes of this section an amount not to exceed $106,545,000.00 and from the general fund money appropriated in section 11, there is allocated for 2025-2026 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 recipients of the funds under subsection (6) 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 and any other funding under this act to improve or maintain the mental health of students, except for programs funded under section 31a(7) and (8). The advisory council shall define goals for implementation of programs, 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 and mental health commission. 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

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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 by not later than December 1 of each fiscal year for which funds are allocated under this section and shall award the funding by 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 amend the state Medicaid plan to 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, and this expansion is called Caring for Students (C4S).

(5) From the state school aid fund money allocated under subsection (1), there is allocated for 2025-2026 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) is provided to child and adolescent health centers that are part of the network described in this subsection and 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 2025-2026 an amount not to exceed $87,245,000.00 to be distributed to intermediate districts for the provision of mental health and support services to general education students. Recipients of funds under this subsection shall continue to seek federal Medicaid match funding for all eligible mental health and support services. 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 $56,173,600.00 of the funds allocated under this subsection, the department shall distribute up to $1,003,100.00 for 2025-2026 to each intermediate district that submits a plan approved by the department and the department of health and human services by February 1 of each fiscal year for which funds are allocated under this section. The department shall distribute the remaining $31,071,400.00 of the funds allocated under this subsection for 2025-2026 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

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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 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 (9), 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.

(7) If funding awarded to an intermediate district remains after funds are provided by the intermediate district to its constituent districts, the intermediate district shall notify the department and department of health and human services and submit evidence satisfactory to the department and department of health and human services demonstrating how it would like to use funds for purposes other than hiring licensed behavioral health providers for general education pupils. With permission from the department and department of health and human services, 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; the intermediate district may also use the funds under this section to create or strengthen school-based behavioral health assessment teams that focus on providing age-appropriate interventions, identifying behaviors that suggest a pupil may be struggling with mental health challenges, providing treatment and support of the pupil, and using disciplinary interventions and the criminal justice system as methods of last resort; and the intermediate district may also use the funds under this section to provide evidence-based trainings that support student mental health.

(8) If funding awarded to an intermediate district under this section remains unspent, or if the intermediate district submits an application requesting a lower allocation than the maximum amount permitted, the department, in conjunction with the intermediate district, may reallocate the funds to another intermediate district or other intermediate districts capable of expending the funds before the funding deadline in accordance with this section as if those funds were originally allocated to the intermediate district or intermediate districts to which the funds are being reallocated.

(9) 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.

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(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.

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

(11) 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 2025-2026, 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 2025-2026, 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.

(12) From the state school aid fund money allocated under subsection (1), there is allocated for 2025-2026 an amount not to exceed $5,000,000.00 to intermediate districts on an equal per intermediate district basis for the purpose of administering programs funded under this section. Recipients of the funds under this subsection shall continue to seek federal Medicaid match funding for all eligible mental health and support services and participate in all learning collaboratives about C4S required by the department and department of health and human services.

(13) 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 by 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

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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.

(14) 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.

History: Add. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Imd. Eff. Sept. 30, 2020 ;-- Am. 2021, Act 3, Imd. Eff. Mar. 9, 2021 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1631n.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1631n.amended Licensed behavioral health providers for general education pupils; advisory council; application; services by child and adolescent health centers; services to nonpublic students; measurements of outcomes and performance.

Sec. 31n.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 for the purposes of this section an amount not to exceed $106,545,000.00 and from the general fund money appropriated in section 11, there is allocated for 2026-2027 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 recipients of the funds under subsection (6) 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 and any other funding under this act to improve or maintain the mental health of pupils, except for programs funded under section 31a(1) and (2). The advisory council shall define goals for implementation of programs, 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 and mental health commission. 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 by not later than December 1 of each fiscal year for which funds are allocated under this section and shall award the funding by not later than February 1 of each fiscal year for which funds are allocated under this section.

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(4) The department of health and human services shall ensure that the state Medicaid plan continues to be written in a way sufficient to obtain appropriate Medicaid waivers to generate additional Medicaid match funding for school mental health and support services for general education pupils through the Caring for Students (C4S) expansion.

(5) From the state school aid fund money allocated under subsection (1), there is allocated for 2026-2027 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 pupils. 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(1) is provided to child and adolescent health centers that are part of the network described in this subsection and 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 2026-2027 an amount not to exceed $87,245,000.00 to be distributed to intermediate districts for the provision of mental health and support services to general education pupils. Recipients of funds under this subsection shall continue to seek federal Medicaid match funding for all eligible mental health and support services. 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 $56,173,600.00 of the funds allocated under this subsection, the department shall distribute up to $1,003,100.00 for 2026-2027 to each intermediate district that submits a plan approved by the department and the department of health and human services by February 1 of each fiscal year for which funds are allocated under this section. The department shall distribute the remaining $31,071,400.00 of the funds allocated under this subsection for 2026-2027 to intermediate districts that submit a plan approved by the department and the department of health and human services by February 1 of each fiscal year for which funds are allocated under this section 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 and shall monitor the program upon implementation. An intermediate district shall use funds awarded under this subsection to provide funding to its

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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 pupils. In addition to the criteria identified under subsection (9), 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.

(7) If funding awarded to an intermediate district remains after funds are provided by the intermediate district to its constituent districts, the intermediate district shall notify the department and department of health and human services and submit evidence satisfactory to the department and department of health and human services demonstrating how it would like to use funds for purposes other than hiring licensed behavioral health providers for general education pupils. With permission from the department and department of health and human services, the intermediate district may hire or contract for experts to provide mental health and support services to general education pupils 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 pupils residing within the boundaries of the intermediate district; the intermediate district may also use the funds under this section to create or strengthen school-based behavioral health assessment teams that focus on providing age-appropriate interventions, identifying behaviors that suggest a pupil may be struggling with mental health challenges, providing treatment and support of the pupil, and using disciplinary interventions and the criminal justice system as methods of last resort; and the intermediate district may also use the funds under this section to provide evidence-based trainings that support pupil mental health.

(8) If funding awarded to an intermediate district under this section remains unspent, or if the intermediate district submits an application requesting a lower allocation than the maximum amount permitted, the department, in conjunction with the intermediate district, may reallocate the funds to another intermediate district or other intermediate districts capable of expending the funds before the funding deadline in accordance with this section as if those funds were originally allocated to the intermediate district or intermediate districts to which the funds are being reallocated.

(9) 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 pupils 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.

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(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 pupils 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.

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

(11) 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 2026-2027, 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 2026-2027, 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.

(12) From the state school aid fund money allocated under subsection (1), there is allocated for 2026-2027 an amount not to exceed $5,000,000.00 to intermediate districts on an equal per intermediate district basis for the purpose of administering programs funded under this section. Recipients of the funds under this subsection shall continue to seek federal Medicaid match funding for all eligible mental health and support services and participate in all learning collaboratives about C4S required by the department and department of health and human services.

(13) 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 by 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.

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(14) 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.

(15) As used in this section, "general education pupil" includes children served under sections 32d and 32t.

History: Add. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Imd. Eff. Sept. 30, 2020 ;-- Am. 2021, Act 3, Imd. Eff. Mar. 9, 2021 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1631o Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to payments for school psychologists, social workers, counselors, and nurses.

***** 388.1631p THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1631p.amended *****

388.1631p TRAILS program; grants to intermediate districts; work project.

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) 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 forward to the TRAILS program described in subsection (2) an amount equal to the amount awarded to the intermediate district under this subsection to contract with the TRAILS program. The TRAILS program must use funding received from intermediate districts 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.

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History: Add. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023

***** 388.1631p.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1631p.amended Evidence-based mental health training; grants to intermediate districts.

Sec. 31p.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2026-2027 only an amount not to exceed $3,000,000.00 for grants to intermediate districts to implement a program as described in subsection (2).

(2) The 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 forward to the program described in subsection (2) an amount equal to the amount awarded to the intermediate district under this subsection to contract with the program. The program must use funding received from intermediate districts 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.

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History: Add. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1631q Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the discover you program.

388.1631r Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Novi Community School District wellness center.

388.1631y Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to payments to districts operating on a year-round balanced calendar.

388.1631z Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to federal funding for capital infrastructure grants to districts operating on a year-round balanced calendar.

***** 388.1631aa THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1631aa.amended *****

388.1631aa Per-pupil mental health and student safety payments to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind; allowable expenditures; school resource officers and safety dogs; staffing for mental health needs; final expense report; comprehensive investigation.

Sec. 31aa.

(1) From the state school aid fund money appropriated in section 11, there is allocated $300,000,000.00 for 2025-2026 only, and from the general fund money appropriated in section 11, there is allocated $21,000,000.00 for 2025-2026 only, to support school safety and mental health.

(2) From the state school aid fund money allocated in subsection (1), an amount not to exceed $200,000,000.00, and from the general fund money allocated in subsection (1), an amount not to exceed $14,000,000.00 may be used to provide payments to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind that opt in and agree to receive funding under this subsection, for activities to improve student mental health and improve student safety. The allowable expenditures of funds under this subsection are as follows:

(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) Purchasing a statewide, integrated technology platform that streamlines behavioral health documentation and care coordination.

(d) Providing school-based mental health personnel access to consultation with behavioral health clinicians to respond to complex student mental health needs.

(e) Purchasing and implementing an online behavioral health tool moderated and led by licensed behavioral health professionals.

(f) Hiring or contracting a behavioral health coordinator.

(g) Evidence-based trainings to support mental health.

(h) Costs associated with collaboration between school employees, families, and community partners to address the academic, behavioral, and social needs of all students through collaborative partnerships, resource coordination, data collection, and data sharing.

(i) Costs associated with conducting a systematic school mental health needs assessment and resource mapping that identifies programmatic and systemic needs and helps staff determine priorities and create action plans.

(j) Coordination with local law enforcement.

(k) Training for school staff on threat assessment.

(l) Training for school staff and students on threat response.

(m) Training for school staff on crisis communication.

(n) 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.

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(o) Age-appropriate training for students and families on responsible firearm ownership, including safe handling and safe storage of firearms.

(p) School resource officers and safety dogs. School resource officers hired under this subsection must be properly licensed and in good standing with the Michigan commission on law enforcement standards, and must be in compliance with all applicable laws.

(q) Student Safety Management System, the information technology platform and related services to improve student safety by mitigating cyberbullying, school violence, human trafficking, and self-harm that supports students from grades K to 12.

(r) A secure platform, administered by the department of state police, for school officials, emergency responders, and emergency management coordinators to house all school safety-related items, including, but not limited to, EOP templates, EOP guidance, reference documents, and security assessments. The platform should use existing password-protected access control methods schools currently utilize and, to the extent possible, be capable of integrating with existing platforms or technologies used by districts for school safety. Through permissions-based access control, the platform should be able to relay information clearly and in real time to each person or entity necessary to provide a unified response to a safety incident, or to take appropriate action in response to an anticipated disruption to the normal functions of the surrounding community.

(s) Emergency infrastructure needs to respond to an immediate threat to the health or safety of students and staff in the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind. A district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind shall not expend funds for this purpose without first obtaining approval from the department. In making a determination of approval, the department shall, at a minimum, assess whether the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind is responding to an immediate threat to the health or safety of students and staff, and whether the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind has other sources of funding that should be utilized first.

(t) A contract with a vendor for a comprehensive safety and security assessment or a comprehensive safety and security event assessment in schools operated by the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind.

(u) An emergency response system.

(v) Implementing cell phone free school policies. As used in this subdivision, "cell phone free school policy" means a policy that prohibits students from accessing or using a personal communication device capable of telecommunication or digital communication during instructional time, as determined by the school.

(3) By not later than December 31 of each fiscal year, from the state school aid fund money allocated in subsection (1), the department shall make payments to districts, intermediate districts, and the Michigan Schools for the Deaf and Blind that opt in and agree to receive funding in an equal amount per pupil based on the total number of pupils in membership in each district, intermediate district, and the Michigan Schools for the Deaf and Blind that opts in and agrees to receive funding. By December 31 of each fiscal year, from the general fund money allocated in subsection (2), the department shall make payments to nonpublic schools that opt in and agree to receive funding in an equal amount per pupil based on the total number of pupils in membership in each nonpublic school that opts in and agrees to receive funding, 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. Districts, intermediate districts, the Michigan Schools for the Deaf and

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Blind, and nonpublic schools may opt in and agree to receive funding in a form and manner determined by the department.

(4) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $50,000,000.00, and from the general fund money allocated in subsection (1), there is allocated an amount not to exceed $3,500,000.00 for competitive grants to districts, intermediate districts, and nonpublic schools for school resource officers and safety dogs. To receive funding under this subsection, a district, intermediate district, or nonpublic school must apply for funding to the department in a form and manner prescribed by the department. The department shall prioritize applicants who include a spending plan to sustain salaries after grant funding has concluded. Recipients of funding under this subsection shall ensure that any school resource officer hired with these funds has completed training by the Michigan commission on law enforcement standards.

(5) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed $50,000,000.00 and from the general fund money allocated in subsection (1), there is allocated an amount not to exceed $3,500,000.00 for competitive grants to districts, intermediate districts, and nonpublic schools to hire or contract for support staff for student mental health needs, including, but not limited to, school psychologists, social workers, and counselors. To receive funding under this subsection, a district, intermediate district, or nonpublic school must apply for funding to the department in a form and manner prescribed by the department. The department shall prioritize applicants that include a spending plan to sustain salaries after grant funding has concluded.

(6) Recipients of funding under this section must provide a final expense report to the department by July 1 of each fiscal year. If the department determines that the eligible recipient has misused the funds allocated under this section, the eligible recipient shall reimburse the department for the amount of state funding misused.

(7) The department shall use the information received under subsection (6) to compile a report that includes the number of recipients that have hired school resource officers using funds received under this section and any supporting information provided by the recipients. By not later than August 1 of each year, the department shall provide the report compiled under this subsection to the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, the senate and house policy offices, the state budget office, and the Michigan commission on law enforcement standards.

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

(9) To receive funding under this section, a district, an intermediate district, a nonpublic school, or the Michigan Schools for the Deaf and Blind must agree to be subject to a comprehensive investigation, must affirmatively agree to waive any privilege that may otherwise protect information from disclosure in the event of a mass casualty event, and must agree to comply with a comprehensive investigation. All of the following apply to a comprehensive investigation described in this subsection:

(a) The comprehensive investigation will assess the circumstances surrounding the mass casualty event, including, but not limited to:

(i) Emergency response effectiveness.

(ii) Compliance with safety protocols.

(iii) Communication procedures.

(iv) Any factors contributing to the incident.

(b) The governor shall designate an appropriate person or investigative entity to conduct the comprehensive investigation. This person or investigative entity may include, but is not

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limited to, state law enforcement agencies, independent review boards, or specially appointed task forces. The person or designated investigative entity has the authority to do all of the following:

(i) Access relevant records and data from the district.

(ii) Interview witnesses and district personnel involved.

(iii) Issue findings and recommendations based on the investigation.

(c) The person or investigative entity designated in subdivision (b) shall prepare a detailed report of its findings and submit the report to the governor and relevant legislative committees within 90 days following the conclusion of the investigation. The report must include recommendations for preventing future incidents and improving school safety protocols.

(10) Funds allocated under subsection (4) for 2025-2026 are a work project appropriation, and any unexpended funds for 2025-2026 are carried forward into 2026-2027. The purpose of the work project is to continue providing funding to support districts, intermediate districts, and nonpublic schools in having school resource officers. The estimated completion date of the work project is September 30, 2029.

(11) Funds allocated under subsection (5) for 2025-2026 are a work project appropriation, and any unexpended funds for 2025-2026 are carried forward into 2026-2027. The purpose of the work project is to continue providing funding to support districts, intermediate districts, and nonpublic schools in hiring staff to support student mental health. The estimated completion date of the work project is September 30, 2029.

(12) As used in this section:

(a) "Mass casualty event" means any of the following that occur on school grounds or at a school-sponsored event:

(i) An incident resulting in significant injuries to not fewer than 3 individuals.

(ii) An incident resulting in fatalities.

(iii) An incident that exceeds the normal resources for emergency response available in the jurisdiction where the incident takes place.

(iv) An incident that results in a sudden and timely surge of injured individuals necessitating emergency services.

(b) "Safety dog" means a dog that is contracted by a law enforcement agency of this state, a local unit of government of this state, or a district or an intermediate district and that is trained for detection of firearms, explosives, narcotics, or vape substances.

(c) "School grounds" means all properties owned or operated by the district, including transportation vehicles owned or operated by the district.

(d) "School-sponsored event" means any activity organized or sanctioned by the district.

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

History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2024, Act 148, Eff. Apr. 2, 2025 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1631aa.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1631aa.amended Per-pupil mental health and student safety payments to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind; allowable expenditures; school resource officers and safety dogs; final expense report; comprehensive investigation.

Sec. 31aa.

(1) From the state school aid fund money appropriated in section 11, there is allocated $300,000,000.00 for 2026-2027 only, and from the general fund money appropriated in section 11, there is allocated $10,000,000.00 for 2026-2027 only, to support school safety and mental health.

(2) From the state school aid fund money allocated in subsection (1), an amount not to exceed $100,000,000.00, and from the general fund money allocated in subsection (1), the amount necessary to provide payments to nonpublic schools as calculated under this subsection may be used to provide payments to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind, as applicable, for activities to improve student mental health. The department shall make payments under this subsection to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind in an amount not to exceed $73.53 per pupil. The total amount allocated for nonpublic schools under this subsection must not exceed $7,000,000.00. The allowable expenditures of funds under this subsection are as follows:

(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) Purchasing a statewide, integrated technology platform that streamlines behavioral health documentation and care coordination.

(d) Providing school-based mental health personnel access to consultation with behavioral health clinicians to respond to complex student mental health needs.

(e) Purchasing and implementing an online behavioral health tool moderated and led by licensed behavioral health professionals.

(f) Hiring or contracting a behavioral health coordinator.

(g) Evidence-based trainings to support mental health.

(h) Costs associated with collaboration between school employees, families, and community partners to address the academic, behavioral, and social needs of all students through collaborative partnerships, resource coordination, data collection, and data sharing.

(i) Costs associated with conducting a systematic school mental health needs assessment and resource mapping that identifies programmatic and systemic needs and helps staff determine priorities and create action plans.

(j) Implementing cell-phone-free school policies. As used in this subdivision, "cell-phone-free school policy" means a policy that prohibits students from accessing or using a personal communication device capable of telecommunication or digital communication during instructional time, as determined by the school.

(k) Purchasing and implementing an evidence-based character- and relationship-building education program that includes family engagement, service learning, and project-based character development, and that fosters positive student-educator relationships and whole-school culture.

(3) From the state school aid fund money allocated in subsection (1), an amount not to exceed $200,000,000.00 and from the general fund money allocated in subsection (1), the amount necessary to provide payments to nonpublic schools as calculated under this

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subsection may be used to provide payments to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind, as applicable, for activities to improve student safety. Subject to eligibility requirements in subsection (6), the department shall make payments to eligible districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind in an amount not to exceed $147.06 per pupil. The total amount allocated for nonpublic schools under this subsection must not exceed $14,000,000.00. The allowable expenditures of funds under this subsection are as follows:

(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.

(f) Age-appropriate training for students and families on responsible firearm ownership, including safe handling and safe storage of firearms.

(g) School resource officers and safety dogs. School resource officers hired under this subsection must be properly licensed and in good standing with the Michigan commission on law enforcement standards, and must be in compliance with all applicable laws.

(h) Student Safety Management System, the information technology platform and related services to improve student safety by mitigating cyberbullying, school violence, human trafficking, and self-harm that supports students from grades K to 12.

(i) A secure platform, administered by the department of state police, for school officials, emergency responders, and emergency management coordinators to house all school safety-related items, including, but not limited to, EOP templates, EOP guidance, reference documents, and security assessments. The platform should use existing password-protected access control methods schools currently utilize and, to the extent possible, be capable of integrating with existing platforms or technologies used by districts for school safety. Through permissions-based access control, the platform should be able to relay information clearly and in real time to each person or entity necessary to provide a unified response to a safety incident, or to take appropriate action in response to an anticipated disruption to the normal functions of the surrounding community.

(j) Emergency infrastructure needs to respond to an immediate threat to the health or safety of students and staff in the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind. A district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind shall not expend funds for this purpose without first obtaining approval from the department. In making a determination of approval, the department shall, at a minimum, assess whether the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind is responding to an immediate threat to the health or safety of students and staff, and whether the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind has other sources of funding that should be utilized first.

(k) A contract with a vendor for a comprehensive safety and security assessment or a comprehensive safety and security event assessment in schools operated by the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind.

(l) An emergency response system.

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(4) Recipients of funding under this section must provide a final expense report to the department by July 1 of each fiscal year. If the department determines that the eligible recipient has misused the funds allocated under this section, the eligible recipient shall reimburse the department for the amount of state funding misused.

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

(6) To receive funding under subsection (3), a district, an intermediate district, a nonpublic school, or the Michigan Schools for the Deaf and Blind must agree to be subject to a comprehensive investigation after a mass casualty event, must agree to comply with a comprehensive investigation into the mass casualty event and, for the purpose of that investigation, must affirmatively agree to waive any privilege held by the district, intermediate district, nonpublic school, or Michigan School for the Deaf and Blind that may otherwise protect information from disclosure in the event of a mass casualty event, and must agree to comply with a comprehensive investigation. All of the following apply to a comprehensive investigation described in this subsection:

(a) The comprehensive investigation will assess the circumstances surrounding the mass casualty event, including, but not limited to:

(i) Emergency response effectiveness.

(ii) Compliance with safety protocols.

(iii) Communication procedures.

(iv) Any factors contributing to the incident.

(b) The governor shall designate an appropriate person or investigative entity to conduct the comprehensive investigation. This person or investigative entity may include, but is not limited to, state law enforcement agencies, independent review boards, or specially appointed task forces. The person or designated investigative entity has the authority to do all of the following:

(i) Access relevant records and data from the district.

(ii) Interview witnesses and district personnel involved.

(iii) Issue findings and recommendations based on the investigation.

(c) The person or investigative entity designated in subdivision (b) shall prepare a detailed report of its findings and submit the report to the governor and relevant legislative committees within 90 days following the conclusion of the investigation. The report must include recommendations for preventing future incidents and improving school safety protocols.

(7) In addition to the appropriations in section 11, if the general fund money allocated in subsection (1) is insufficient to fully fund awards to nonpublic schools under subsections (2) and (3), there is appropriated from the general pupil support reserve fund created in section 22s the amount necessary, not to exceed $11,000,000.00, to fund these reimbursements.

(8) As used in this section:

(a) "Mass casualty event" means any of the following that occur on school grounds or at a school-sponsored event:

(i) An incident resulting in significant physical injuries to not fewer than 3 individuals. As used in this subparagraph, "significant physical injury" means an injury that involves a risk of death, significant physical pain, protracted and obvious disfigurement, or a protracted loss or impairment of the function of a bodily member, organ, or mental or sensory faculty.

(ii) An incident resulting in 2 or more fatalities.

(iii) An incident of such scope that the emergency response resources in the jurisdiction where the incident takes place are not sufficient and resources from surrounding jurisdictions are required.

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(iv) An incident that results in a sudden surge of injured individuals necessitating emergency services.

(b) "Safety dog" means a dog that is contracted by a law enforcement agency of this state, a local unit of government of this state, or a district or an intermediate district and that is trained for detection of firearms, explosives, narcotics, or vape substances.

(c) "School grounds" means all properties owned or operated by the district, including transportation vehicles owned or operated by the district.

(d) "School-sponsored event" means any activity organized or sanctioned by the district.

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

History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2024, Act 148, Eff. Apr. 2, 2025 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1631bb Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the Eastern Upper Peninsula Intermediate District Learning Center.

388.1631cc Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the purple star program.

388.1631dd Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the Roadmaps Program offered by the University of Michigan and Saginaw Valley State University.

388.1631ee Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the urban equestrian center.

388.1631ff Funding for the student mental health apprenticeship retention and training (SMART) internship grant program.

Sec. 31ff.

(1) From the state school aid fund money appropriated in section 11, there is allocated $14,500,000.00 for 2023-2024 only, and, from the general fund money appropriated in section 11, there is allocated $500,000.00 for 2023-2024 only, for the implementation of requirements under 2022 PA 180, MCL 388.1951 to 388.1957. The money from the state school aid fund allocated under this section must be distributed to either districts, intermediate districts, or institutions of higher education for the purposes of this section.

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(2) From the general fund money allocated under subsection (1), the department may use not more than $500,000.00 to hire up to 1.0 FTE to help administer the allocation of funds allocated under this section.

(3) 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 coverage of cost associated with the implementation of 2022 PA 180, MCL 388.1951 to 388.1957. The estimated completion date of the work project is September 30, 2027.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024

388.1632 Repealed. 2008, Act 268, Eff. Oct. 1, 2008.

Compiler's Notes: The repealed section pertained to additional state school aid fund revenue.

388.1632a Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to funding for all students achieve program.

388.1632b Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to early childhood investment corporation.

388.1632c Repealed. 2011, Act 62, Eff. Oct. 1, 2011.

Compiler's Notes: The repealed section pertained to grants for community-based collaborative prevention services.

***** 388.1632d THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1632d.amended *****

388.1632d Great start readiness reserve fund; use of funds; eligibility; competitive grant; longitudinal evaluation; comprehensive part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, or GSRP/Head Start extended blended programs; application for funding; form and manner; counting enrolled pupils; blended program; designation of early childhood coordinator; retention of funds for administrative services; outreach, recruiting, and public awareness; household income; contract process; contract with community-based providers for percentage of total allocation; submission of satisfactory evidence; report; definitions; tuition rate sliding scale; reimbursement of transportation costs; classroom level quality assessments; supplemental curriculum; professional development and training materials for educators; use of AmeriCorps Pre-K Reading Corps members; classroom start up grants; definitions.

Sec. 32d.

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(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 $609,720,000.00 for 2024-2025 and $638,217,600.00 for 2025-2026. From the general fund money appropriated under section 11, there is allocated $600,000.00 for 2024-2025 and $350,000.00 for 2025-2026, and from the great start readiness reserve fund money appropriated in section 11, there is allocated $18,000,000.00 for 2024-2025 and 2025-2026 for the purposes of this section. For 2024-2025, an intermediate district or consortium shall use funds allocated under this section for great start readiness programs to provide part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, or GSRP/Head Start extended blended programs that are comprehensive, free, compensatory classroom programs designed to improve the readiness and subsequent achievement of children who meet the participant eligibility and prioritization guidelines as defined by the department of lifelong education, advancement, and potential. For 2025-2026, an intermediate district or consortium shall use funds allocated under this section for eligible great start readiness program options. 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. After eligible children who will be 4 years of age as of September 1 are enrolled, a child who is not 4 years of age as of September 1, but who will be 4 years of age by not later than December 1, is eligible to participate if both of the following are met:

(a) 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.

(b) The child meets eligibility and prioritization guidelines.

(2) From the state school aid fund money allocated under subsection (1), an amount not to exceed $597,720,000.00 for 2024-2025 and $626,217,600.00 for 2025-2026 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. 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. For 2024-2025, if, due to the number of GSRP extended program or GSRP/Head Start extended blended program slots awarded, the amount allocated in this subsection is insufficient to award at least the same number of part-day program and school-day program slots as awarded in the immediately preceding fiscal year, there is appropriated from the great start readiness program reserve fund the amount necessary to fully award the same number of part-day program and full-day program slots as awarded in the immediately preceding fiscal year. For 2025-2026, if the amount allocated in this subsection is insufficient to fully fund allocations calculated under section 39, there is appropriated from the great start readiness program reserve fund the amount necessary and available to fully fund those allocations.

(3) From the general fund money allocated under subsection (1), there is allocated an amount not to exceed $600,000.00 for 2024-2025 and an amount not to exceed $350,000.00 for 2025-2026 for a competitive grant to continue a longitudinal evaluation of children who have participated in great start readiness programs.

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(4) Except as otherwise provided in subsection (5), to be eligible for funding under this section, a program must prepare children for success in school through comprehensive part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, GSRP/Head Start extended blended programs, or other eligible great start readiness program options that contain all of the following program components, as determined by the department of lifelong education, advancement, and potential:

(a) Participation in a collaborative recruitment and enrollment process to ensure that each child is enrolled in the program most appropriate to the child's needs and to maximize the use of federal, state, and local funds. For 2025-2026, as part of this requirement, programs receiving funding under this section must provide current enrollment data, including slots open for enrollment and slots filled, to the intermediate district or consortium of intermediate districts from which funding is received for that program. The enrollment process must ensure that children in families with lower income and children with other risk factors, as determined by the department of lifelong education, advancement, and potential, are enrolled before children with lesser needs.

(b) An age-appropriate educational curriculum that is in compliance with the early childhood standards of quality for birth to kindergarten 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 of lifelong education, advancement, and potential.

(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 shall annually 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 level of at least enhancing quality level.

(5) To help expand access to great start readiness programs, the department of lifelong education, advancement, and potential may waive the requirements under subsections (4) and (8)(c) and a program may be eligible for funding under this section for new or expanding programs if the program demonstrates to the satisfaction of the department of lifelong education, advancement, and potential that the program meets all of the following:

(a) Is a licensed group or child care center or is a licensed program.

(b) Provides the minimum instructional time as required by the department of lifelong education, advancement, and potential.

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(c) Participates in this state's quality improvement system at a level determined by the department of lifelong education, advancement, and potential.

(d) Implements a professional educator preparation plan, as defined by the department of lifelong education, advancement, and potential, for educators not meeting teacher credentialing standards described in subsection (8) or (9).

(e) Uses a developmentally appropriate curriculum, as determined by the department of lifelong education, advancement, and potential.

(f) Conducts a developmental screening and referral process, as determined by the department of lifelong education, advancement, and potential.

(g) Commits to participating in program financial review and monitoring, as determined by the department of lifelong education, advancement, and potential.

(h) Provides a plan to implement an approved great start readiness program curriculum and meet additional great start readiness program standards, as determined by the department of lifelong education, advancement, and potential.

(6) A waiver under subsection (5) may be granted for up to 3 years for requirements related to program credentialing and may be granted for up to 2 years for all other requirements, as determined by the department of lifelong education, advancement, and potential.

(7) The department of lifelong education, advancement, and potential shall provide a report to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies that summarizes the number and types of exemptions granted under subsection (5) and progress made by programs granted waivers under subsection (5) by September 30 of each fiscal year. It is the intent of the legislature to review the waiver allowability under subsection (5) before the fiscal year ending September 30, 2027.

(8) For applications submitted before September 30, 2025, an application for funding under this section must provide for the following, in a form and manner determined by the department of lifelong education, advancement, and potential:

(a) Ensure either of the following:

(i) That the applicant complies with all program components described in subsection (4).

(ii) That the applicant meets the requirements of a waiver under subsection (5).

(b) Except as otherwise provided in this subdivision, ensure that 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 400% 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 400% of the federal poverty guidelines, the intermediate district may then enroll children who live with families with a household income that is greater than 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 400% of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile. The department of lifelong education, advancement, and potential shall publish the household income thresholds under this subdivision in a clear manner on its website and the great start to quality website.

(c) Except as provided in subsection (5), ensure that the applicant only uses qualified personnel for this program, as follows:

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(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, except as otherwise provided in this subparagraph, if an applicant demonstrates to the department of lifelong education, advancement, and potential 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, Head Start, or licensed child care center classroom who have significant but incomplete training in early childhood education or child development may be used if the applicant provides to the department of lifelong education, advancement, and potential, and the department of lifelong education, advancement, and potential approves, a plan for each teacher to come into compliance with the standards in this subparagraph. Individuals may qualify with at least 3 years of experience and significant training in early childhood education or child development, 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 of lifelong education, advancement, and potential 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 enroll 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 of lifelong education, advancement, and potential, and the department of lifelong education, advancement, and potential 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, 60 clock hours, or an 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.

(9) Beginning in 2025-2026, applications for funding under this section must be submitted to the department of lifelong education, advancement, and potential in a form and manner determined by the department of lifelong education, advancement, and potential. The application must demonstrate, at a minimum, compliance with program requirements described in subsection (4) or (5) and must ensure that recipients will only utilize qualified personnel, as determined by the department of lifelong education, advancement, and potential, for eligible great start readiness program options.

(10) For a grant recipient that enrolls pupils in a school-day program or GSRP extended program funded under this section, each child enrolled in the school-day program or GSRP

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extended program is counted as described in section 39 for purposes of determining the amount of the grant award. This subsection does not apply after September 30, 2025.

(11) For a grant recipient that enrolls pupils in an eligible great start readiness program option that blends GSRP and Head Start programming, 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. A grant recipient may request a waiver from the department of lifelong education, advancement, and potential to align GSRP policies and regulations with Head Start national standards for quality, including ratios, and the department of lifelong education, advancement, and potential may approve the waiver. Not later than March 1 of each year, the department of lifelong education, advancement, and potential will report to the legislature and post on a publicly available website a list by intermediate district or consortium with the number and type of each waiver requested and approved.

(12) To help expand access to great start readiness programs, the department of lifelong education, advancement, and potential may allow great start readiness programs to implement Head Start national performance standards for quality as an alternative to great start readiness program policies and regulations if the great start readiness program demonstrates to the satisfaction of the department of lifelong education, advancement, and potential that the great start readiness program is meeting the requirements of the Head Start national performance standards.

(13) Beginning in 2025-2026, an intermediate district or consortia of intermediate districts receiving funding under this section must publish, on an easily accessible website, a data dashboard containing the number of allocations requested from the state, a list of programs offering great start readiness programs in their boundaries, and current enrollment data for each subrecipient, including total slots open for enrollment, slots filled, and waitlist information, if applicable. A link to this website must be provided to families on waitlists for any great start readiness program in their boundaries.

(14) 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 subsection (4), (8), or (9), as applicable.

(15) 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 early childhood programs may include indirect costs, not to exceed the federal de minimis.

(16) 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, if the intermediate district or consortium of intermediate districts also participates in related statewide marketing and outreach efforts.

(17) Each grant recipient shall enroll children identified under subsection (8)(b) according to how far the child's household income is below 400% 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 400% 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

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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 400% of the federal poverty guidelines, the grant recipient may then enroll children who live with families with a household income that is greater than 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 400% of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile. This subsection does not apply after September 30, 2025.

(18) 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 of lifelong education, advancement, and potential.

(19) 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 2024-2025, 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 GSRP/Head Start school-day blended program, GSRP/Head Start extended blended program, GSRP extended program, and great start readiness school-day program. Children served in a program funded only through Head Start are not counted toward this 30% allocation. Beginning in 2025-2026, the department of lifelong education, advancement, and potential shall provide guidance to intermediate districts and consortia of intermediate districts on counting children served by Head Start programming for the purposes of this 30% allocation. For 2024-2025, an intermediate district or consortium shall report to the department of lifelong education, advancement, and potential, in a manner prescribed by the department of lifelong education, advancement, and potential, 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. Beginning in 2025-2026, an intermediate district or consortium shall report to the department of lifelong education, advancement, and potential, in a manner prescribed by the department of lifelong education, advancement, and potential, information necessary for the department of lifelong education, advancement, and potential to determine the intermediate district's or consortium of intermediate districts' compliance with this subsection. If the intermediate district or consortium is not able to contract for at least 30% of its total allocation, the intermediate district or consortium shall notify the department of lifelong education, advancement, and potential and, if the department of lifelong education, advancement, and potential 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, 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

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department of lifelong education, advancement, and potential 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 of lifelong education, advancement, and potential, and the department of lifelong education, advancement, and potential 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 of lifelong education, advancement, and potential.

(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-based providers.

(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 level of at least enhancing quality level.

(20) 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 (19), the department of lifelong education, advancement, and potential may 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.

(21) 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 of lifelong education, advancement, and potential shall do all of the following:

(a) Ensure that a great start resource center or the department of lifelong education, advancement, and potential 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 of lifelong education, advancement, and potential 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. This subdivision does not apply after September 30, 2025.

(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 continuous quality improvement system. The continuous quality improvement 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 level ahead of any other type of provider.

(d) By not later than March 1 of each year, compile the results of the information reported by each intermediate district or consortium under subsection (19) and report to the legislature and 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,

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community college or university, Head Start grantee or delegate, and district or intermediate district.

(e) Allow intermediate districts and consortia and eligible community-based providers to utilize materials and supplies purchased for great start readiness programs within their facilities for other early care and education activities, in the following order of priority:

(i) Early care and education activities under a federal award.

(ii) Early care and education activities under other state awards.

(iii) Early care and education activities under local or regional awards.

(22) 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, 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).

(23) As used in this section:

(a) "Child care center" means that term as defined in section 1 of 1973 PA 116, MCL 722.111.

(b) "Eligible great start readiness program options" means a program option that operates on a school-day, part-day, or extended schedule length, as determined by the department of lifelong education, advancement, and potential. The department of lifelong education, advancement, and potential must maintain and publish on its website requirements for each eligible schedule length, including the minimum day length, the minimum number of days per week, and the minimum number of weeks per year. These programs may be blended with Head Start programs, if allowable by federal rules and regulations.

(c) "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.

(d) "GSRP extended 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 5 days per week, 36 weeks per year.

(e) "GSRP/Head Start extended blended program" means a program funded under this section and a Head Start program that are combined for an extended program.

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

(g) "Licensed child care center" means a child care center that has been issued a license under 1973 PA 116, MCL 722.111 to 722.128, to operate a child care center.

(h) "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.

(i) "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.

(24) From the state school aid fund money allocated in subsection (1), there is allocated for 2024-2025 and 2025-2026 an amount not to exceed $10,000,000.00 and, from the great start readiness program reserve fund money allocated in subsection (1), there is allocated for 2024-2025 and 2025-2026 an amount not to exceed $18,000,000.00 for reimbursement of transportation costs for children attending great start readiness programs funded under this section. To receive reimbursement under this subsection, by not later than November 1 of each

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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 $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 of lifelong education, advancement, and potential shall prorate the reimbursement in an equal amount per child funded. The department of lifelong education, advancement, and potential 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.

(25) For 2024-2025, subject to, and from the funds allocated under, subsection (24), the department of lifelong education, advancement, and potential 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. Beginning in 2025-2026, subject to, and from the funds allocated under, subsection (24), the department of lifelong education, advancement, and potential shall allow programs to utilize those funds for costs related to parent- or guardian-provided transportation and for costs related to parent- or guardian-accompanied transportation provided by transportation service companies, buses, or other public transportation services. For payments related to parent- or guardian-provided transportation, the department of lifelong education, advancement, and potential shall develop parameters to ensure dollars are utilized in a way that improves access to eligible great start readiness program options for low-income and geographically isolated families. To be eligible for reimbursement under this subsection in 2024-2025, and to utilize funding under this subsection in 2025-2026, 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 of lifelong education, advancement, and potential.

(c) Any other documentation or information determined necessary by the department of lifelong education, advancement, and potential.

(26) The department of lifelong education, advancement, and potential 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 birth to kindergarten children adopted by the state board. The department of lifelong education, advancement, and potential shall make available to intermediate districts at least 2 classroom level quality assessments that have been approved by the department of lifelong education, advancement, and potential.

(27) 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 of lifelong education, advancement, and potential objects to the use of a supplemental curriculum approved by an intermediate district, the director of the department of lifelong education, advancement, and potential shall establish a review committee independent of the department of lifelong education, advancement, and potential. The review committee shall meet within 60 days of the department of lifelong education, advancement, and potential registering its objection in writing and provide a final

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determination on the validity of the objection within 60 days of the review committee's first meeting.

(28) The department of lifelong education, advancement, and potential shall implement a process to evaluate and approve age-appropriate educational curricula that are in compliance with the early childhood standards of quality for birth to kindergarten children adopted by the state board.

(29) From the state school aid fund money allocated under subsection (1), there is allocated for 2024-2025 and 2025-2026 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.

(30) A great start readiness program, a GSRP extended program, a GSRP/Head Start school-day blended program, a GSRP/Head Start extended blended program, or other eligible great start readiness programs funded under this section are permitted to utilize AmeriCorps Pre-K Reading Corps members in classrooms implementing research-based early literacy intervention strategies.

(31) 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 $25,000,000.00 for 2024-2025 and an amount not to exceed $10,000,000.00 for 2025-2026 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 of lifelong education, advancement, and potential.

(b) The department of lifelong education, advancement, and potential shall pay an amount not to exceed $50,000.00 for each new or expanded classroom. If funding is insufficient to fully fund all eligible applicants, the department of lifelong education, advancement, and potential must prorate the per-classroom amount on an equal basis. If the allocation is not fully paid in the current fiscal year, the department of lifelong education, advancement, and potential may award any remaining funding from fiscal year 2024-2025 during fiscal year 2025-2026, and may award any remaining funding from fiscal year 2025-2026 during fiscal year 2026-2027 for each new or expanded classroom at an equal amount per classroom, based on remaining available funds, not to exceed $50,000.00 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 1 or more 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 or modular classroom units necessary to provide a safe, high-quality learning environment for children in each new or expanded classroom, and for costs to become a licensed facility such as architectural drawings, permits, and other prelicensure inspection fees.

(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 level.

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(d) Recipients of funds under this subsection must demonstrate that instructional staff have completed, or are in the process of completing, professional learning in the science of reading. Grant funds may be used to support this professional learning and are intended to ensure new classrooms are well equipped to implement evidence-based early literacy strategies.

(e) The funds allocated under this subsection for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 do not lapse to the state school aid fund and are carried forward into 2025-2026. 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, 2026.

(f) The funds allocated under this subsection for 2025-2026 are a work project appropriation, and any unexpended funds for 2025-2026 do not lapse to the state school aid fund and are carried forward into 2026-2027. 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, 2027.

(g) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this subsection on a schedule determined by the department of lifelong education, advancement, and potential.

(32) In addition to the funds allocated in subsection (1), there is allocated from the general fund money appropriated under section 11 for 2024-2025 only an amount not to exceed $1,950,000.00 for an intermediate district or a consortium of intermediate districts to partner with the department of lifelong education, advancement, and potential and community-based organizations to continue implementing statewide outreach and enrollment campaign activities to raise awareness about the availability of services through the great start readiness program, and to promote enrollment.

(33) The funds allocated under subsection (32) for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. 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.

(34) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under subsection (32) on a schedule determined by the department of lifelong education, advancement, and potential.

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History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 139, Eff. Oct. 7, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: In the first and last sentences of subsection (1), as amended by Act 121 of 2001, the phrases “and 2002-2003” and “and for 2002-2003” were vetoed by the governor September 28, 2001.In subsection (2), as amended by Act 121 of 2001, the phrase “and 2002-2003” was vetoed by the governor

September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 139 of 2015 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2015 PA 85 and this amendatory act for fiscal year 2015-2016 is estimated at $12,124,885,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,967,255,600.00."

***** 388.1632d.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1632d.amended Great start readiness reserve fund; use of funds; eligibility; competitive grant; longitudinal evaluation; comprehensive part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, or GSRP/Head Start extended blended programs; designation of early childhood coordinator; retention of funds for administrative services; outreach, recruiting, and public awareness; contract process; contract with community-based providers for percentage of total allocation; submission of satisfactory evidence; classroom level quality assessments; supplemental curriculum; professional development and training materials for educators; use of AmeriCorps Pre-K Reading Corps members; classroom start up grants.

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 and other purposes described in this section an amount not to exceed $712,356,100.00 for 2026-2027, and from the great start readiness reserve fund money appropriated in section 11, there is allocated $18,000,000.00 for 2026-2027 for the purposes of this section. An intermediate district or consortium shall use funds allocated under this section for eligible great start readiness program options. 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. After eligible children who will be 4 years of age as of September 1 are enrolled, a child who is not 4 years of age as of September 1, but who will be 4 years of age by not later than December 1, is eligible to participate if both of the following are met:

(a) 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.

(b) The child meets eligibility and prioritization guidelines.

(2) From the state school aid fund money allocated under subsection (1), an amount not to exceed $700,356,100.00 for 2026-2027 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. 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. If the amount allocated in this subsection is insufficient to fully fund allocations calculated under section 39, there is appropriated from the great start readiness program reserve fund the amount necessary and available to fully fund those allocations.

(3) From the state school aid fund money allocated under subsection (2), the department of lifelong education, advancement, and potential shall award a competitive grant to a state public university to continue a longitudinal evaluation of children who have participated in great start readiness programs.

(4) Except as otherwise provided in subsection (5), to be eligible for funding under this section, a program must prepare children for success in school through comprehensive part-

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day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, GSRP/Head Start extended blended programs, or other eligible great start readiness program options that contain all of the following program components, as determined by the department of lifelong education, advancement, and potential:

(a) Participation in a collaborative recruitment and enrollment process to ensure that each child is enrolled in the program most appropriate to the child's needs and to maximize the use of federal, state, and local funds. Programs receiving funding under this section must provide current enrollment data, including slots open for enrollment and slots filled, to the intermediate district or consortium of intermediate districts from which funding is received for that program. The enrollment process must ensure that children in families with lower income and children with other risk factors, as determined by the department of lifelong education, advancement, and potential, are enrolled before children with lesser needs.

(b) An age-appropriate educational curriculum that is in compliance with the early childhood standards of quality for birth to kindergarten 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 of lifelong education, advancement, and potential.

(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 shall annually 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 level of at least enhancing quality level.

(5) To help expand access to great start readiness programs, the department of lifelong education, advancement, and potential may waive the requirements under subsection (4) and a program may be eligible for funding under this section for new or expanding programs if the program demonstrates to the satisfaction of the department of lifelong education, advancement, and potential that the program meets all of the following:

(a) Is a licensed group or child care center or is a licensed program.

(b) Provides the minimum instructional time as required by the department of lifelong education, advancement, and potential.

(c) Participates in this state's quality improvement system at a level determined by the department of lifelong education, advancement, and potential.

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(d) Implements a professional educator preparation plan, as defined by the department of lifelong education, advancement, and potential, for educators not meeting teacher credentialing standards described in subsection (8).

(e) Uses a developmentally appropriate curriculum, as determined by the department of lifelong education, advancement, and potential.

(f) Conducts a developmental screening and referral process, as determined by the department of lifelong education, advancement, and potential.

(g) Commits to participating in program financial review and monitoring, as determined by the department of lifelong education, advancement, and potential.

(h) Provides a plan to implement an approved great start readiness program curriculum and meet additional great start readiness program standards, as determined by the department of lifelong education, advancement, and potential.

(6) A waiver under subsection (5) may be granted for up to 3 years for requirements related to program credentialing and may be granted for up to 2 years for all other requirements, as determined by the department of lifelong education, advancement, and potential.

(7) The department of lifelong education, advancement, and potential shall provide a report to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies that summarizes the number and types of exemptions granted under subsection (5) and progress made by programs granted waivers under subsection (5) by September 30 of each fiscal year. It is the intent of the legislature to review the waiver allowability under subsection (5) before the fiscal year ending September 30, 2027.

(8) Applications for funding under this section must be submitted to the department of lifelong education, advancement, and potential in a form and manner determined by the department of lifelong education, advancement, and potential. The application must demonstrate, at a minimum, compliance with program requirements described in subsection (4) or (5) and must ensure that recipients will only utilize qualified personnel, as determined by the department of lifelong education, advancement, and potential, for eligible great start readiness program options.

(9) For a grant recipient that enrolls pupils in an eligible great start readiness program option that blends GSRP and Head Start programming, 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. A grant recipient may request a waiver from the department of lifelong education, advancement, and potential to align GSRP policies and regulations with Head Start national standards for quality, including ratios, and the department of lifelong education, advancement, and potential may approve the waiver. Not later than March 1 of each year, the department of lifelong education, advancement, and potential will report to the legislature and post on a publicly available website a list by intermediate district or consortium with the number and type of each waiver requested and approved.

(10) To help expand access to great start readiness programs, the department of lifelong education, advancement, and potential may allow great start readiness programs to implement Head Start national performance standards for quality as an alternative to great start readiness program policies and regulations if the great start readiness program demonstrates to the satisfaction of the department of lifelong education, advancement, and potential that the great start readiness program is meeting the requirements of the Head Start national performance standards.

(11) An intermediate district or consortia of intermediate districts receiving funding under this section must publish, on an easily accessible website, a data dashboard containing the

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number of allocations requested from the state, a list of programs offering great start readiness programs in their boundaries, and current enrollment data for each subrecipient, including total slots open for enrollment, slots filled, and waitlist information, if applicable. A link to this website must be provided to families on waitlists for any great start readiness program in their boundaries.

(12) 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 subsection (4) or (8), as applicable.

(13) 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 early childhood programs may include indirect costs, not to exceed the federal de minimis.

(14) 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, if the intermediate district or consortium of intermediate districts also participates in related statewide marketing and outreach efforts.

(15) 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 of lifelong education, advancement, and potential.

(16) 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. Children served in a program funded through only Head Start are not counted toward this 30% allocation. The department of lifelong education, advancement, and potential shall provide guidance to intermediate districts and consortia of intermediate districts on counting children served by Head Start programming for the purposes of this 30% allocation. An intermediate district or consortium shall report to the department of lifelong education, advancement, and potential, in a manner prescribed by the department of lifelong education, advancement, and potential, information necessary for the department of lifelong education, advancement, and potential to determine the intermediate district's or consortium of intermediate districts' compliance with this subsection. If the intermediate district or consortium is not able to contract for at least 30% of its total allocation, the intermediate district or consortium shall notify the department of lifelong education, advancement, and potential and, if the department of lifelong education, advancement, and potential 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, 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 of lifelong education, advancement, and potential 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

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satisfactory to the department of lifelong education, advancement, and potential, and the department of lifelong education, advancement, and potential 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 of lifelong education, advancement, and potential.

(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-based providers.

(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 level of at least enhancing quality level.

(17) 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 (16), the department of lifelong education, advancement, and potential may 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. By not later than September 30, the department of lifelong education, advancement, and potential shall submit a report on any intermediate districts impacted by this subsection to the senate and house appropriations subcommittees on school aid, the senate and house appropriations committees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

(18) 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 of lifelong education, advancement, and potential shall do all of the following:

(a) Ensure that a great start resource center or the department of lifelong education, advancement, and potential 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) 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 continuous quality improvement system. The continuous quality improvement 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 level ahead of any other type of provider.

(c) By not later than March 1 of each year, compile the results of the information reported by each intermediate district or consortium under subsection (16) and report to the legislature and 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.

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(d) Allow intermediate districts and consortia and eligible community-based providers to utilize materials and supplies purchased for great start readiness programs within their facilities for other early care and education activities, in the following order of priority:

(i) Early care and education activities under a federal award.

(ii) Early care and education activities under other state awards.

(iii) Early care and education activities under local or regional awards.

(19) 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, 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).

(20) As used in this section:

(a) "Child care center" means that term as defined in section 1 of 1973 PA 116, MCL 722.111.

(b) "Eligible great start readiness program options" means a program option that operates on a school-day, part-day, or extended schedule length, as determined by the department of lifelong education, advancement, and potential. The department of lifelong education, advancement, and potential must maintain and publish on its website requirements for each eligible schedule length, including the minimum day length, the minimum number of days per week, and the minimum number of weeks per year. These programs may be blended with Head Start programs, if allowable by federal rules and regulations.

(c) "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.

(d) "GSRP extended 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 5 days per week, 36 weeks per year.

(e) "GSRP/Head Start extended blended program" means a program funded under this section and a Head Start program that are combined for an extended program.

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

(g) "Licensed child care center" means a child care center that has been issued a license under 1973 PA 116, MCL 722.111 to 722.128, to operate a child care center.

(h) "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.

(i) "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.

(21) From the state school aid fund money allocated in subsection (1), there is allocated for 2026-2027 an amount not to exceed $10,000,000.00 and, from the great start readiness program reserve fund money allocated in subsection (1), there is allocated for 2026-2027 an amount not to exceed $18,000,000.00 for reimbursement of transportation costs for children attending great start readiness programs funded under this section. To receive reimbursement under this subsection, by 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

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transportation under this subsection is no more than the projected transportation budget or $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 of lifelong education, advancement, and potential shall prorate the reimbursement in an equal amount per child funded. The department of lifelong education, advancement, and potential 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.

(22) Subject to, and from the funds allocated under, subsection (21), the department of lifelong education, advancement, and potential shall allow programs to utilize those funds for costs related to parent- or guardian-provided transportation and for costs related to parent- or guardian-accompanied transportation provided by transportation service companies, buses, or other public transportation services. For payments related to parent- or guardian-provided transportation, the department of lifelong education, advancement, and potential shall develop parameters to ensure dollars are utilized in a way that improves access to eligible great start readiness program options for low-income and geographically isolated families. To be eligible to utilize funding 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 of lifelong education, advancement, and potential.

(c) Any other documentation or information determined necessary by the department of lifelong education, advancement, and potential.

(23) The department of lifelong education, advancement, and potential 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 birth to kindergarten children adopted by the state board. The department of lifelong education, advancement, and potential shall make available to intermediate districts at least 2 classroom level quality assessments that have been approved by the department of lifelong education, advancement, and potential.

(24) 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 of lifelong education, advancement, and potential objects to the use of a supplemental curriculum approved by an intermediate district, the director of the department of lifelong education, advancement, and potential shall establish a review committee independent of the department of lifelong education, advancement, and potential. The review committee shall meet within 60 days of the department of lifelong education, advancement, and potential 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.

(25) The department of lifelong education, advancement, and potential shall implement a process to evaluate and approve age-appropriate educational curricula that are in compliance with the early childhood standards of quality for birth to kindergarten children adopted by the state board.

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(26) From the state school aid fund money allocated under subsection (1), there is allocated for 2026-2027 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. Curricula and child assessment tools purchased with funds received under this subsection must be in compliance with early childhood standards of quality for birth to kindergarten children, including the science of reading, as that term is defined in section 1280f of the revised school code, MCL 380.1280f.

(27) A great start readiness program, a GSRP extended program, a GSRP/Head Start school-day blended program, a GSRP/Head Start extended blended program, or other eligible great start readiness programs funded under this section are permitted to utilize AmeriCorps Pre-K Reading Corps members in classrooms implementing research-based literacy intervention strategies.

(28) 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 $3,600,000.00 for 2026-2027 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 of lifelong education, advancement, and potential.

(b) The department of lifelong education, advancement, and potential shall pay an amount not to exceed $50,000.00 for each new or expanded classroom. If funding is insufficient to fully fund all eligible applicants, the department of lifelong education, advancement, and potential must prorate the per-classroom amount on an equal basis.

(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 1 or more 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 or modular classroom units necessary to provide a safe, high-quality learning environment for children in each new or expanded classroom, and for costs to become a licensed facility such as architectural drawings, permits, and other prelicensure inspection fees.

(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 level.

(d) Recipients of funds under this subsection must demonstrate that instructional staff have completed, or are in the process of completing, professional learning in the science of reading. Grant funds may be used to support this professional learning and are intended to ensure new classrooms are well equipped to implement evidence-based literacy strategies.

(e) The funds allocated under this subsection for 2025-2026 are a work project appropriation, and any unexpended funds for 2025-2026 do not lapse to the state school aid fund and are carried forward into 2026-2027. 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, 2027.

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(f) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this subsection on a schedule determined by the department of lifelong education, advancement, and potential.

(29) In addition to the funds allocated in subsection (1), there is allocated from the general fund money appropriated under section 11 for 2024-2025 only an amount not to exceed $1,950,000.00 for an intermediate district or a consortium of intermediate districts to partner with the department of lifelong education, advancement, and potential and community-based organizations to continue implementing statewide outreach and enrollment campaign activities to raise awareness about the availability of services through the great start readiness program, and to promote enrollment.

(30) The funds allocated under subsection (29) for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. 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.

(31) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under subsection (29) on a schedule determined by the department of lifelong education, advancement, and potential.

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History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 139, Eff. Oct. 7, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: In the first and last sentences of subsection (1), as amended by Act 121 of 2001, the phrases “and 2002-2003” and “and for 2002-2003” were vetoed by the governor September 28, 2001.In subsection (2), as amended by Act 121 of 2001, the phrase “and 2002-2003” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at

$11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 139 of 2015 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2015 PA 85 and this amendatory act for fiscal year 2015-2016 is estimated at $12,124,885,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,967,255,600.00."

***** 388.1632e THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1632e.amended *****

388.1632e Great start readiness program reserve fund.

Sec. 32e.

(1) The great start readiness program reserve fund is created as a separate account in the state school aid fund for the purpose of supporting the great start readiness program.

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

(3) Money in the great start readiness program reserve fund at the close of the fiscal year remains in the great start readiness program reserve 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 great start readiness program reserve fund for auditing purposes.

(5) Money available in the great start readiness program reserve fund must not be expended without a specific appropriation.

(6) For the fiscal year ending September 30, 2023 only, $200,000,000.00 from the state school aid fund is deposited into the great start readiness program reserve fund.

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History: Add. 2023, Act 103, Imd. Eff. July 21, 2023
Compiler's Notes: Former MCL 388.1632e, which pertained to funding under MCL 388.1632d, was repealed by Act 268 of 2008, Eff. Oct. 1, 2008.

***** 388.1632e.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1632e.amended Great start readiness program reserve fund.

Sec. 32e.

(1) The great start readiness program reserve fund is created as a separate account in the state school aid fund for the purpose of supporting the great start readiness program and for the purposes described in section 32v.

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

(3) Money in the great start readiness program reserve fund at the close of the fiscal year remains in the great start readiness program reserve 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 great start readiness program reserve fund for auditing purposes.

(5) Money available in the great start readiness program reserve fund must not be expended without a specific appropriation.

(6) For the fiscal year ending September 30, 2023 only, $200,000,000.00 from the state school aid fund is deposited into the great start readiness program reserve fund.

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History: Add. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1632e, which pertained to funding under MCL 388.1632d, was repealed by Act 268 of 2008, Eff. Oct. 1, 2008.

388.1632f Repealed. 2005, Act 155, Eff. Oct. 1, 2005.

Compiler's Notes: The repealed section pertained to read, education, and develop youth kits.

388.1632g Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: The repealed section pertained to kindergarten entry status assessment.

388.1632h Repealed. 2002, Act 191, Imd. Eff. Apr. 26, 2002.

Compiler's Notes: The repealed section pertained counseling services.

388.1632i Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to May 2002 revenue estimating conference.

388.1632j Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to programs for parents with young children.

388.1632k Repealed. 2007, Act 137, Imd. Eff. Nov. 8, 2007.

Compiler's Notes: The repealed section pertained to before- or after-school programs.

388.1632l Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: The repealed section pertained to establishment of diverse interagency committee to review applications for competitive grants under MCL 388.1632d.

388.1632m Repealed. 2007, Act 6, Imd. Eff. Apr. 30, 2007.

Compiler's Notes: The repealed section pertained to providing preschool children with a book each month.

***** 388.1632n THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1632n.amended *****

388.1632n Before-school, after-school, before-and-after school, or summer school programs; federally funded grants to eligible entities; Michigan Afterschool Partnership advisory committee.

Sec. 32n.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed $79,000,000.00, and from the state school aid pupil support reserve fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed $75,000,000.00 to Clinton County RESA to collaborate with the department of lifelong education, advancement, and potential, for the purposes of this section. It is the intent of the legislature that, for 2026-2027, the allocation from the state school aid pupil support reserve fund money appropriated in section 11 for the purposes described in this section will be $85,000,000.00. It is the intent of the legislature that, for 2027-2028, the allocation from the state school aid pupil support reserve fund money appropriated in section 11 for the purposes described in this section will be $100,000,000.00.

(2) From the state school aid fund money allocated in subsection (1), there is allocated for 2024-2025 only an amount not to exceed $57,000,000.00, and from the state school aid pupil support reserve fund money allocated in subsection (1), there is allocated for 2025-2026 only an amount not to exceed $75,000,000.00 for a grant program for eligible applicants to expand access to quality, affordable programming before and after the school day or during the summer for young people. The department of lifelong education, advancement, and potential shall establish competitive grant criteria for the program described in this subsection. To be

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eligible for a grant under this subsection, 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 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, visual and performing arts, literacy, science, technology, engineering, mathematics, health and wellness, recreation, financial literacy, physical fitness, career and college exploration, youth voice, 21st century skills, conflict resolution, and social engagement programming.

(d) Address measurable goals, including, but not limited to, improved school attendance, academic outcomes, improved attitudes toward school, improved positive behaviors, skill development and retention, higher education aspirations, and improved family engagement and include activities linked to research or quality practices.

(e) Be 1 of the following:

(i) A licensed child care organization.

(ii) An entity that has an active application to be a licensed child care organization.

(iii) An exempt entity.

(3) The department of lifelong education, advancement, and potential shall establish a competitive grant process for awarding funding under subsection (2). The department of lifelong education, advancement, and potential 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. Except as otherwise provided in this subsection, at least 30 days before the application is opened, the department of lifelong education, advancement, and potential 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). For 2025-2026 only, the department of lifelong education, advancement, and potential, is not required to publish the evaluation criteria at least 30 days before the application is opened.

(4) Subject to subsection (9), in determining award amounts under subsection (2), the department of lifelong education, advancement, and potential 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 subsection (2).

(5) Subject to subsection (9), the department of lifelong education, advancement, and potential shall prioritize the distribution of grant funding under subsection (2) 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.

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(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 to 8 is a licensed child care organization, is an entity that has an active application to be a licensed child care organization, or has implemented the Michigan Out-of-School Time Standards of Quality if the applicant is an exempt entity and, beginning in 2025-2026, serves at least 15 school-age youth at a single location in grades K to 12.

(6) Subject to subsection (7), an eligible entity that receives grant funding under subsection (2) 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 subsection (2) must meet all of the following:

(a) For programming that is offered by a licensed child care organization, be provided to children and youth in a manner in which the children are physically present at the building or location for which the licensed child care organization received its license under 1973 PA 116, MCL 722.111 to 722.128, or, for programming that is offered by an exempt entity serving grades K to 12, be provided to children and youth in a manner in which the children and youth are physically present at a building or location designated by the exempt 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 of lifelong education, advancement, and potential.

(7) For 2024-2025 only, and subject to subsections (4) and (5), up to 2% of funding allocated under subsection (2) 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) Beginning in 2025-2026, all of the following apply to funding allocated under this section:

(a) An amount not to exceed 0.25% of the funding allocated under subsection (2) or $250,000.00, whichever is greater, may be retained by Clinton County RESA for administrative costs.

(b) An amount not to exceed $500,000.00 of the funding allocated under subsection (2) must be allocated by Clinton County RESA, as directed by the department of lifelong education, advancement, and potential, and in collaboration with the center and the Michigan afterschool partnership as needed, to provide statewide evaluation activities of eligible youth served, their families, and programs funded under this section. This evaluation must allow for a comparative analysis between program youth and their peers in grades K to 12.

(c) An amount not to exceed 1.5% of the funding allocated under subsection (2) must be allocated by Clinton County RESA, as directed by the department of lifelong education, advancement, and potential, and in collaboration with the Michigan afterschool partnership, to provide statewide out-of-school time activities and supports including, but not limited to, capacity building initiatives, professional development, and technical assistance to increase the likelihood for implementation of high quality, evidence-based, out-of-school time learning opportunities by eligible entities under subsections (4) and (5).

(9) The department of lifelong education, advancement, and potential shall award not less than 60% of the funding under subsection (2) to community-based organizations.

(10) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section in full upon grant award. Grantees that do not

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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 of lifelong education, advancement, and potential.

(11) The department of lifelong education, advancement, and potential, in collaboration with the Michigan Afterschool Partnership, shall convene an advisory committee to review the program components listed within this section and make recommendations to the department of lifelong education, advancement, and potential for changes on the program described in this section. The advisory committee shall meet at a schedule set by the department of lifelong education, advancement, and potential, or at least quarterly. The advisory committee shall provide for the involvement of, but not limited to, community-based organizations, regional intermediaries, district administrators, youth, parents, and representatives from the business and philanthropic communities, as appropriate.

(12) From the state school aid fund money allocated in subsection (1), Clinton County RESA shall allocate $22,000,000.00 in 2024-2025 only to recipients under this subsection as follows:

(a) $4,000,000.00 to support the efforts of FFA.

(b) $4,000,000.00 to the Boys and Girls Club of Southeastern Michigan in Detroit to expand programming. Programming expansion includes, but is not limited to, construction or remodeling of facilities to allow for new or extended programs.

(c) $4,000,000.00 to the HYPE Athletics Center in Dearborn Heights to provide programming that may include, but is not limited to, science, technology, engineering, arts, and mathematics (STEAM) programs; literacy and reading programs; after-school programs; youth fitness and athletic programs; and mental health and behavioral health services.

(d) $1,500,000.00 to Brilliant Detroit to support delivery of high-dosage neighborhood-based tutoring and direct noninstructional services for at-risk pupils who are 3 to 12 years of age. Funding under this subdivision is intended to ensure that pupils are proficient in English language arts by the end of grade 3 and proficient in mathematics by the end of grade 8, that all participants are kindergarten ready, and that pupils are prepared to attend school regularly. As used in this subdivision, "at-risk pupil" means that term as defined in section 31a.

(e) $1,200,000.00 to the State Alliance of Michigan YMCAs to provide students in grades 6 to 12 with hands-on civics and model-government programs that offer statewide engagement with peers across this state for the purpose of expanding those students' opportunities to improve their social studies knowledge, thinking skills, and intellectual processes and dispositions required for active engagement in fulfilling responsibilities of civic participation.

(f) $1,000,000.00 to the Downtown Boxing Gym in Detroit to expand programming. Programming expansion includes, but is not limited to, construction or remodeling of facilities to allow for new or extended programs.

(g) $1,000,000.00 to support the operations of the Flint Center for Educational Excellence.

(h) $800,000.00 to the Detroit Opera for educational programming for grades pre-K to 12, including field trips, summer camps, and other learning opportunities. The funds allocated under this subdivision are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to support the Detroit Opera educational programming as described in this subdivision. The estimated completion date of the work project is September 30, 2028.

(i) $500,000.00 to Special Olympics Michigan, a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that has a mission statement to provide year-round sports

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training and athletic competition for children and adults with intellectual disabilities. Funding under this subdivision must be used by the organization to expand the organization's programming.

(j) $500,000.00 to the Horatio Williams Foundation to support efforts to provide college preparation services, math leagues, sports programming, and literacy services in Detroit.

(k) $500,000.00 to Friends of the Children, a nonprofit organization that employs salaried professional mentors who support youth and their families from grades K to 12. The salaried professional mentorship program in this subdivision must employ a 2-generational approach to supporting youth in and outside of the classroom, particularly in reading and math comprehension; support students and their families by connecting them to concrete supports like education and employment pathways, housing, utility assistance, and food security; and be located in a city with a population greater than 600,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census.

(l) $500,000.00 to the Detroit Police Athletic League to support operations and programming including, but not limited to, athletic programs and youth enrichment programs.

(m) $500,000.00 to the Detroit Science Center, a nonprofit organization that is tax-exempt under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and located in a city with a population greater than 600,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census. Funds under this subdivision must be used by the nonprofit organization to expand the nonprofit organization's mission of providing opportunities for students to discover, explore, and appreciate science, technology, engineering, and mathematics in a creative, dynamic learning environment.

(n) $2,000,000.00 to buildOn Detroit to expand the Service Learning Program for high school students.

(13) For 2024-2025 only, recipients of grants under subsection (12) may not apply for funding under subsection (2).

(14) Funds allocated under subsection (12) for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to provide additional support to out-of-school time programs. The estimated completion date of the work project is September 30, 2026.

(15) As used in this section:

(a) "An entity that has an active application to be a licensed child care organization" means an entity that has an active application to be a licensed child care organization under 1973 PA 116, MCL 722.111 to 722.128, and will be a licensed child care organization before the entity provides services for which a child care organization is required to be licensed under 1973 PA 116, MCL 722.111 to 722.128.

(b) "Child care organization" means that term as defined in section 1 of 1973 PA 116, MCL 722.111.

(c) "Exempt entity" means an entity described in section 1(1)(i)(i) to (v) of 1973 PA 116, MCL 722.111.

(d) "Licensed child care organization" means a child care organization that has been issued a license under 1973 PA 116, MCL 722.111 to 722.128, to operate a child care organization.

(e) "School-age" means a child who is eligible to attend a grade of kindergarten or higher, but is less than 13 years of age. A child is considered to be school age on the first day of the school year in which the child is eligible under section 1 of 1973 PA 116, MCL 722.111.

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History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: Former MCL 388.1632n, which pertained to statewide before-or-after school programs, was repealed by Act 110 of 2010, Eff. Oct. 1, 2010.

***** 388.1632n.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1632n.amended Before-school, after-school, before-and-after school, or summer school programs; federally funded grants to eligible entities; Michigan Afterschool Partnership advisory committee.

Sec. 32n.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $50,000,000.00, and from the state school aid pupil support reserve fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $85,000,000.00 to Clinton County RESA to collaborate with the department of lifelong education, advancement, and potential, for the purposes of this section. It is the intent of the legislature that, for 2027-2028, the allocation from the state school aid pupil support reserve fund money appropriated in section 11 for the purposes described in this section will be $100,000,000.00.

(2) The funds allocated in subsection (1) must be used for a grant program for eligible applicants to expand access to quality, affordable programming before and after the school day or during the summer for young people. Not more than 40% of the total allocation under subsection (1) may be allocated to statewide or regional grant applications. The department of lifelong education, advancement, and potential shall establish competitive grant criteria for the program described in this subsection. To be eligible for a grant under this subsection, 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 public library, a city or municipality, 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, visual and performing arts, literacy, science, technology, engineering, mathematics, health and wellness, recreation, financial literacy, physical fitness, career and college exploration, youth voice, 21st century skills, conflict resolution, and social engagement programming.

(d) Address academic outcomes and not fewer than 2 additional measurable goals, including, but not limited to, improved school attendance, improved attitudes toward school, improved positive behaviors, skill development and retention, higher education aspirations, and improved family engagement and include activities linked to research or quality practices.

(e) Be 1 of the following:

(i) A licensed child care organization.

(ii) An entity that has an active application to be a licensed child care organization.

(iii) An exempt entity.

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(f) For entities meeting eligibility requirements under subdivision (e)(ii) and (iii), demonstrate in a form and manner determined by the department that all of the following are in place for staff working with youth:

(i) Background checks through the Central Registry Clearance and the Internet Criminal History Access Tool.

(ii) First aid and cardiopulmonary resuscitation (CPR) training.

(iii) Health and Safety Training Courses for Child Care Providers, Modules A, B, and C.

(3) The department of lifelong education, advancement, and potential shall establish a competitive grant process for awarding funding under subsection (2). The department of lifelong education, advancement, and potential 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 of lifelong education, advancement, and potential 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 subsection (2), the department of lifelong education, advancement, and potential 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 subsection (2).

(5) Subject to subsection (8), the department of lifelong education, advancement, and potential shall prioritize the distribution of grant funding under subsection (2) 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 to 8 is a licensed child care organization, is an entity that has an active application to be a licensed child care organization, or has implemented the Michigan Out-of-School Time Standards of Quality if the applicant is an exempt entity and, beginning in 2025-2026, serves at least 15 school-age youth at a single location in grades K to 12.

(6) An eligible entity that receives grant funding under subsection (2) 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 subsection (2) must meet all of the following:

(a) For programming that is offered by a licensed child care organization, be provided to children and youth in a manner in which the children are physically present at the building or location for which the licensed child care organization received its license under 1973 PA 116, MCL 722.111 to 722.128, or, for programming that is offered by an exempt entity serving grades K to 12, be provided to children and youth in a manner in which the children and youth are physically present at a building or location designated by the exempt entity.

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(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 of lifelong education, advancement, and potential.

(7) All of the following apply to funding allocated under subsection (2):

(a) An amount not to exceed 0.25% of the funding allocated under subsection (2) or $250,000.00, whichever is greater, may be retained by Clinton County RESA for administrative costs.

(b) An amount not to exceed $500,000.00 of the funding allocated under subsection (2) must be allocated by Clinton County RESA, as directed by the department of lifelong education, advancement, and potential, and in collaboration with the center and the Michigan afterschool partnership as needed, to provide statewide evaluation activities of eligible youth served, their families, and programs funded under this section. This evaluation must allow for a comparative analysis between program youth and their peers in grades K to 12.

(c) An amount not to exceed 1.5% of the funding allocated under subsection (2) must be allocated by Clinton County RESA, as directed by the department of lifelong education, advancement, and potential, and in collaboration with the Michigan afterschool partnership, to provide statewide out-of-school time activities and supports including, but not limited to, capacity building initiatives, professional development, and technical assistance to increase the likelihood for implementation of high quality, evidence-based, out-of-school time learning opportunities by eligible entities under subsections (4) and (5).

(8) The department of lifelong education, advancement, and potential shall award not less than 60% of the funding under subsection (2) to community-based organizations.

(9) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section in an amount equal to 1/2 of the grant total upon award of the grant, and the remaining 1/2 of the grant total on a schedule determined by the department of lifelong education, advancement, and potential. The department of lifelong education, advancement, and potential may make payments in full to grantees demonstrating resource needs, as determined by the department of lifelong education, advancement, and potential. 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 of lifelong education, advancement, and potential.

(10) The department of lifelong education, advancement, and potential, in collaboration with the Michigan Afterschool Partnership, shall convene an advisory committee to review the program components listed within this section and make recommendations to the department of lifelong education, advancement, and potential for changes on the program described in this section. The advisory committee shall meet at a schedule set by the department of lifelong education, advancement, and potential, or at least quarterly. The advisory committee shall provide for the involvement of, but not limited to, community-based organizations, regional intermediaries, district administrators, youth, parents, and representatives from the business and philanthropic communities, as appropriate.

(11) Subject to subsection (2), the department of lifelong education, advancement, and potential shall establish and implement a multi-tiered grant funding structure within its competitive grant process to account for statewide or regional grant applications, as well as midsize grants serving 6 to 14 program sites and smaller grants serving 1 to 5 program sites.

(12) As used in this section:

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(a) "An entity that has an active application to be a licensed child care organization" means an entity that has an active application to be a licensed child care organization under 1973 PA 116, MCL 722.111 to 722.128, and will be a licensed child care organization before the entity provides services for which a child care organization is required to be licensed under 1973 PA 116, MCL 722.111 to 722.128.

(b) "Child care organization" means that term as defined in section 1 of 1973 PA 116, MCL 722.111.

(c) "Exempt entity" means an entity described in section 1(1)(i)(i) to (v) of 1973 PA 116, MCL 722.111.

(d) "Licensed child care organization" means a child care organization that has been issued a license under 1973 PA 116, MCL 722.111 to 722.128, to operate a child care organization.

(e) "School-age" means a child who is eligible to attend a grade of kindergarten or higher, but is less than 13 years of age. A child is considered to be school age on the first day of the school year in which the child is eligible under section 1 of 1973 PA 116, MCL 722.111.

(f) "Statewide or regional grant" means a grant to 2 or more entities, community-based organizations, statewide network affiliations, or any combination of those entities working together with the objective of serving more than 2,000 children across at least 15 program sites statewide, or to serve more than 2,000 children across at least 15 program sites within a publicly defined boundary region, and that have a demonstrated track record of success in providing or organizing a statewide or regional system of out-of-school time programs. If an applicant applies for a statewide or regional grant, the applicant and the program sites included on their application may not appear on any other grant application submitted for funding under subsection (2).

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History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1632n, which pertained to statewide before-or-after school programs, was repealed by Act 110 of 2010, Eff. Oct. 1, 2010.

***** 388.1632p.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1632p.added Early learning partnerships.

Sec. 32p.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $30,000,000.00 to create and implement statewide early learning partnerships. It is the intent of the legislature that these early learning partnerships will provide centralized access points to families for trusted entry into the early childhood system, family and community outreach to build awareness, trust, and referral networks, outreach through child health providers to engage pediatric professionals for early detection of developmental delays or other health needs, and data collection and analysis to provide real-time insights necessary to improve services and systems.

(2) From the funds allocated in subsection (1), the department of lifelong education, advancement, and potential shall award at least $16,900,000.00 to eligible intermediate districts for the purposes of this subsection. All of the following apply to funds awarded under this subsection:

(a) Intermediate districts must apply for funding in a form and manner determined by the department of lifelong education, advancement, and potential.

(b) The department of lifelong education, advancement, and potential shall award funding to eligible intermediate districts in a way that ensures that families statewide have equitable access to services provided by an early learning partnership. The amount awarded to an eligible intermediate district must not be less than the amount received by the intermediate district in 2024-2025 for local great start collaboratives. At least $1,000,000.00 must be awarded to eligible intermediate districts in a manner determined by the department of lifelong education, advancement, and potential to support MiFamily engagement regional centers. To be eligible for funds awarded under this subdivision, intermediate districts must partner with an entity with expertise in family leadership, as determined by the department of lifelong education, advancement, and potential.

(c) Intermediate districts must use funding received under this subsection for the following purposes:

(i) Convening early learning partnerships on a regular basis to ensure early childhood system building and the development of implementation strategies through active partnerships with families and multiple community organizations.

(ii) Improving family access, leadership, and engagement in early childhood education.

(iii) Enhancing child development, learning, and well-being.

(iv) Creating strong, efficient community systems.

(v) Providing universal developmental screening and follow-up support through care coordinators.

(vi) Participating in a coordinated, statewide enrollment system that increases child participation in early care and education programs as described in subsection (5).

(vii) Supporting the following staffing costs in each early learning partnership:

(A) At least 0.8 FTE for a lead position to provide system-building capacity by facilitating the implementation of program components and activities, ensuring initiatives are data-driven, completing annual program assessments, connecting families to developmental screening, and ensuring intermediate districts have dedicated care coordinators.

(B) At least 0.5 FTE for a care coordinator within each intermediate district. Care coordinators are responsible for answering questions from families, providing follow-up services related to developmental screenings and referrals, tracking data, and providing cross-sector coordination to ensure families are seamlessly connected to the full scope of services within the intermediate district region.

(3) From the funds allocated in subsection (1), there is allocated for 2026-2027 an amount not to exceed $3,900,000.00 for evidence-based, family-centered, data-driven family support services, including, but not limited to, home visiting programs that comply with the requirements of 2012 PA 291, MCL 400.791 to 400.798. Funds allocated under this subsection must be expended in a form and manner determined jointly by the department of lifelong education, advancement, and potential and the department of health and human services. The department of lifelong education, advancement, and potential shall make payments under this subsection to an intermediate district serving as a fiscal agent for these funds on a schedule determined by the department of lifelong education, advancement, and potential.

(4) From the funds allocated in subsection (1), the department of lifelong education, advancement, and potential shall award at least $4,000,000.00 to eligible intermediate districts for the purpose of improving access to books and other literacy materials for children from birth to age 5. An intermediate district must apply for these funds in a form and manner determined by the department of lifelong education, advancement, and potential and 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

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materials to children from birth to age 5 and educates families on the importance of frequently reading aloud with children. If funding available under this subsection is insufficient to fully fund all interested intermediate districts and families, funding to each intermediate district must prioritize enrollment to those families with the highest levels of economic need.

(5) From the funds allocated in subsection (1), there is allocated for 2026-2027 an amount not to exceed $4,000,000.00 for an intermediate district to partner with the department of lifelong education, advancement, and potential and community-based organizations to raise awareness about the availability of services through early learning partnerships and to develop systems to identify and reach out to families. All of the following apply to funding under this subsection:

(a) Funding under this subsection must be used for the following purposes:

(i) Organizing community events and outreach activities to inform parents about early learning partnerships, the positive impacts of early childhood education, and additional early childhood programs available to families.

(ii) Developing and implementing a coordinated statewide enrollment system that allows providers to advertise available services and allows families to enroll in early education programs. The system described in this subparagraph must include information about additional early childhood programs for families to increase participation in early care and education.

(b) Families are not required to participate in early learning partnerships.

(6) From the funds allocated in subsection (1), the department of lifelong education, advancement, and potential may award up to $1,200,000.00 to intermediate districts to administer or provide services, programs, or resources required by this section that would otherwise be administered or provided by the department of lifelong education, advancement, and potential. Funds awarded under this subsection may be distributed as follows:

(a) Up to $50,000.00 to Oakland Schools to provide strategic leadership in collaboration with the department of lifelong education, advancement, and potential to ensure accountability, efficacy, and consistent implementation of programs under this section to a national fidelity standard, as determined by the department of lifelong education, advancement, and potential.

(b) Up to $1,150,000.00 to Clinton County RESA to collaborate with the department of lifelong education, advancement, and potential to provide statewide leadership, technical assistance, a central access point, community outreach, and administrative support.

(7) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department of lifelong education, advancement, and potential.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1632p, which pertained to early childhood programs, a local great start collaborative, and a family coalition, was repealed by Act 15 of 2025, Imd. Eff. Oct. 7, 2025.

388.1632q Repealed. 2019, Act 58, Eff. Oct. 1, 2019.

Compiler's Notes: The repealed section pertained to pilot program to evaluate the impact on vulnerable children of 1 versus 2 years of preschool education.

388.1632r Repealed. 2015, Act 85, Eff. Oct. 1, 2015.

Compiler's Notes: The repealed section pertained to race to the top – early learning challenge grant.

388.1632t Preschool pilot program; phase 2; Clinton County RESA.

Sec. 32t.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed $25,000,000.00 to Clinton County RESA (CCRESA) for phase 2 of a preschool pilot program to provide services to 3-year-old children. Eligible children are those whose age is less than 4 years on September 1 and greater than or equal to 3 years on December 1 of the current school year and whose family income is at or below 250% of the federal poverty level, with priority given to families with lower incomes. Additional factors such as developmental delay, language barriers, or challenging behaviors may also be considered for eligibility. 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 of lifelong education, advancement, and potential, with assessment, data, and collection analysis for the program being provided by Michigan State University.

(2) The department of lifelong education, advancement, and potential must pay the funding under this section to Clinton County RESA in installments over 2 years. The department of lifelong education, advancement, and potential shall determine the amount to be used in each year.

(3) This section is intended to provide planning for and implement phase 2 of the pilot preschool program for 3-year-old children. The second phase of the pilot will examine variations of the current program, such as part-day, 5-day-per-week, multiage grouping with the great start readiness program, and inclusion.

(4) In order to evaluate the outcomes and impact of strong beginnings, Clinton County RESA and Michigan State University shall compare outcomes for children who attend strong beginnings and the great start readiness program with:

(a) Outcomes for children who attend the great start readiness program only.

(b) Outcomes for children who did not attend either program.

(5) Data used for the purpose of comparisons under subsection (4) must include, at a minimum, strong beginnings waitlist data, strong beginnings child assessment data, the great start readiness program child assessment data, kindergarten attendance data, and elementary standardized testing data.

(6) At the end of phase 2, Clinton County RESA shall provide a report to the department of lifelong education, advancement, and potential detailing all of the following:

(a) How the phase 2 pilot was conducted.

(b) Demographics of the children served.

(c) Outcomes achieved.

(d) Scope of expansion, including successes and challenges the pilot faced and how the implementation team responded.

(e) An updated model, including phase 2 variations, this state could use to scale the program statewide, if funding were available.

(7) The funds allocated under this section for 2025-2026 are a work project appropriation, and any unexpended funds for 2025-2026 are carried forward into 2026-2027. The purpose of

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the work project is to expand phase 1 of the pilot to additional classrooms and initiate phase 2 of the pilot. The estimated completion date of the work project is September 30, 2029.

(8) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department of lifelong education, advancement, and potential.

History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1632u Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to payments for BookNook collaboration.

***** 388.1632v THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1632v.amended *****

388.1632v Early childhood workforce project.

Sec. 32v.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed $30,000,000.00 to implement an early childhood workforce project.

(2) The department must award funding under this section to an intermediate district or a consortium of intermediate districts to serve as a fiscal agent. The recipient intermediate district or consortium of intermediate districts at the direction of the department and in collaboration with the department of licensing and regulatory affairs child care licensing bureau, and organizations with experience recruiting and training early childhood professionals, must do all of the following:

(a) Assess early childhood workforce needs, with a priority placed on professionals in child care, Head Start, and the great start readiness program settings, and support improvements in how data on the early learning and care workforce is collected, stored, and used for professional advancement.

(b) Update and promote clear career pathways for early learning and care roles, including current compensation levels.

(c) Ensure professional development, certificates, and degrees align to the career pathway and quality rating and improvement system.

(d) Develop and pilot alternative education and training programs, including, but not limited to, competency-based credentials and micro credentials for early learning and care professionals.

(e) Pilot projects that support the recruitment and retention of early learning and care professionals with a priority placed on professionals in child care and the great start readiness program settings. At least 1 pilot project must test strategies to sustainably increase wages and benefits to align with professionals with similar levels of educational requirements, specialization requirements, and job responsibilities.

(3) 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 launch an early childhood workforce project to recruit, train, and retain

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professionals in all early learning settings, with a priority on child care and preschool settings. The estimated completion date of the work project is September 30, 2027.

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

History: Add. 2023, Act 103, Imd. Eff. July 21, 2023

***** 388.1632v.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1632v.amended Early childhood workforce development initiatives.

Sec. 32v.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2026-2027 only an amount not to exceed $21,700,000.00, and from the great start readiness reserve fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $8,300,000.00 to implement early childhood workforce development initiatives.

(2) The department must award funding under this section to an intermediate district or a consortium of intermediate districts to serve as a fiscal agent. In collaboration with the department of lifelong education, advancement, and potential, the department shall direct funds allocated to an intermediate district or consortium of intermediate districts for initiatives that will support any of the following objectives:

(a) Increasing the number of early childhood workers in the great start readiness program, child care, and Head Start.

(b) Enhancing professional development and career advancement opportunities for early childhood workers.

(c) Implementing early childhood worker recruitment and retention strategies, including, but not limited to, the following:

(i) Stipends, grants, or reimbursements for eligible postsecondary costs, travel, or housing expenses, as determined by the department.

(ii) Bonus or incentive payments, or implementation of compensation structures intended to recruit, retain, or reward eligible early childhood workers.

(iii) Payment of costs associated with the provision of health care, retirement, or paid leave benefits to early childhood workers.

(iv) Matching costs for any other funds allocated to enhance or supplement the implementation of initiatives eligible under this section.

(d) Administering the funds under this section and data collection efforts in partnership with at least 1 public university located in this state. At a minimum, data collection efforts must evaluate the effectiveness of early childhood workforce initiatives funded. Total administration and data collection costs must not exceed 5% of the funds allocated under this section.

(3) Funds allocated under this section for 2026-2027 are a work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028. The purpose of the work project is to support the implementation of early childhood workforce development initiatives. The estimated completion date of the work project is September 30, 2029.

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

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History: Add. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1632w Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to GOAL Line Detroit.

388.1632x Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Wayne State University Law School's Levin Center for Oversight and Democracy for Learning by Hearings civic education program.

388.1632y Allocation under former MCL 388.1632x.

Sec. 32y.

Notwithstanding section 18a, funds allocated under former section 32x for 2023-2024 may be available for expenditure until September 30, 2029. A recipient of funding under that section must return any unexpended funds to the department in the manner prescribed by the department not later than October 30, 2029.

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History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1633 K to 5 music or visual arts program grants; MI Creative Potential.

Sec. 33.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $11,000,000.00 for 2023-2024 only for grants to eligible districts for the purposes described in this section.

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

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

(a) The district must enroll students in grades K to 5.

(b) The district must, in its application described in subsection (2), pledge to do all of the following:

(i) Provide for all pupils in grades K to 5 at least 60 minutes per week of instruction in music or visual arts, taught by a certificated teacher who has, or is working towards, the appropriate endorsement issued by the department. For teaching music, the appropriate endorsement is a JX or JQ endorsement. For teaching visual arts, the appropriate endorsement is an LQ, LX, or LZ endorsement.

(ii) Maintain staffing that includes at least 1 certificated teacher with a JX or JQ music endorsement or an LQ, LX, or LZ visual arts endorsement issued by the department for every 400 pupils enrolled in grades K to 5.

(iii) Adopt and implement, or maintain, specific curricula for music or visual arts.

(iv) Maintain in each elementary school at least 1 space that is either dedicated to music or visual arts instruction or designated to be used for music or visual arts instruction and that

allows for effective implementation of the music or visual arts curriculum, with consideration given to the physical materials and tools needed for music or visual arts instruction.

(v) Establish and maintain a separate dedicated budget for music or visual arts instruction in grades K to 5.

(vi) Participate in the collection of data in the fall and spring of the 2024-2025 school year on changes in course offerings, instructor qualifications, student course enrollments, and other aspects of the district's music or visual arts programs as determined by the department and MI Creative Potential.

(vii) Commit to including music and visual arts in district and school continuous improvement planning using the program review tool that accompanies the Michigan Blueprint of a Quality Arts Education, available in the Michigan Integrated Continuous Improvement Process database.

(viii) Adopt and implement a plan to satisfy the recommendations listed in the Michigan Blueprint of a Quality Arts Education program.

(4) Grants awarded under this section must be awarded for the coverage of costs for 1 year of additional costs, including 1-time costs, for the district to implement or maintain a music or visual arts program.

(5) In awarding grants under this section, the department shall prioritize as follows:

(a) The department shall first award grants to districts that are first-time applicants and meet 1 of the following:

(i) The district currently has a music or visual arts program that meets the requirements of subsection (3)(b)(i) to (vii) but does not meet the recommendations listed in the Michigan Blueprint of a Quality Arts Education program and the district will use the grant to move toward implementing those recommendations.

(ii) The district does not currently have a music program that meets the requirements of subsection (3)(b)(i) to (vii) or does not currently have a visual arts program that meets the requirements of subsection (3)(b)(i) to (vii).

(b) If there is funding remaining after awarding grants to districts described in subdivision (a), the department shall award grants to other eligible districts.

(6) All grants under this section must be awarded by not later than February 1 of the fiscal year in which the grant is approved.

(7) If the total funding allocated under this section is insufficient to fully fund payments to all eligible districts under this section, the department shall prorate payments to all eligible districts on an equal percentage basis.

(8) Subject to the provisions of subsection (9), in addition to the funds appropriated in section 11, from the state school aid fund, there is appropriated and allocated an amount not to exceed $2,500,000.00 to Eaton Regional Education Service Agency to serve as the fiscal agent for the Michigan Assessment Consortium to be used in implementing MI Creative Potential, as led by the Michigan Arts Education Instruction and Assessment Project, developed by the Michigan Assessment Consortium, in partnership with the Michigan Department of Education, Michigan Arts and Culture Council, and Michigan educators. The Michigan Assessment Consortium shall implement MI Creative Potential by acquiring and implementing the artlook platform, by building school and community partnerships to allow districts to publicize their need for supplemental arts instruction, by providing professional learning on artlook tools, and by collecting and uploading data on availability of arts education within districts in each prosperity region each school year. The data collected and uploaded must include, but is not limited to, how many arts classes are offered, the duration and frequency of instruction in the disciplines, educator and staffing details, the arts budget in each building, arts-related

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extracurricular activities that are offered, and community partners that are engaged. Eaton Regional Education Service Agency shall provide a report to the department each September on progress of this work.

(9) The appropriation and allocation under subsection (8) is contingent on the effective issuance of a directive by the budget director, pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.451a, to lapse $2,500,000.00 in remaining funding from a work project that was established under this section in 2023-2024. The amount allocated under subsection (8) may not exceed the amount lapsed from the work project referenced in the immediately preceding sentence.

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

(11) 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 for music or visual arts education. The estimated completion date of the work project is September 30, 2027.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Former MCL 388.1633, which pertained to allocation to assist in transition from governance by a school reform board to governance by an elected school board, was repealed by Act 342 of 2006, Eff. Oct. 1, 2006.

388.1634 Repealed. 2007, Act 6, Imd. Eff. Apr. 30, 2007.

Compiler's Notes: The repealed section pertained to appropriation of funds for 2006-2007.

388.1634a Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to achievement incentive grants.

388.1635 Repealed. 2018, Act 265, Eff. Oct. 1, 2018.

Compiler's Notes: The repealed section pertained to use of funds for programs to ensure that children are reading at grade level by end of grade 3.

***** 388.1635a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1635a.amended *****

388.1635a Professional development; allocations; screening and diagnostic tools for early literacy and early reading skills; early literacy coaches; additional instructional time; report; literacy essentials teacher and principal training; funding for Reading and Math Corps; professional development programs; professional learning opportunities; definitions.

Sec. 35a.

(1) From the appropriations in section 11, there is allocated for 2024-2025 an amount not to exceed $82,900,000.00 and for 2025-2026 an amount not to exceed $52,000,000.00 from the state school aid fund for the purposes of this section. It is the intent of the legislature that, for 2026-2027, the allocation from the state school aid fund money appropriated in section 11 for the purposes described in this section will be $42,000,000.00. Excluding staff or contracted employees funded under subsection (8), the superintendent shall designate staff or contracted employees funded under this section as critical shortage. By not later than 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 early literacy 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 early literacy. Beginning in 2025-2026, the report described in this subdivision must include the number of literacy coaches supported by funding provided under subsection (4), including the number of coaches supported in each intermediate district, and the percentage of supported coaches that have received, or are in the process of receiving, professional learning by the approved provider described in subsection (11).

(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 5. 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 5 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 $42,000,000.00 for 2024-2025 and 2025-2026 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 5 so that pupils are reading at grade level by the end of grade 3. All of the following apply to funding under this subsection:

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(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 5 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 5 to read 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 $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 $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.

(d) All literacy coaches funded under this subsection must have already received, or be making progress toward receiving, professional learning by the approved provider described in subsection (11).

(e) To be eligible to receive funding under this subsection, an intermediate district must provide the department with a list by September 1 of the immediately preceding fiscal year containing contact information for all literacy coaches funded under this subsection, in a form and manner determined by the department. An intermediate district shall communicate any personnel changes and changes to contact information for literacy coaches funded under this subsection to the department within 30 days of the personnel change or change in contact information.

(5) From the allocation under subsection (1), there is allocated an amount not to exceed $19,900,000.00 for 2024-2025 to districts that provide additional instructional time to those pupils in grades pre-K to 5 who have been identified by using department-approved screening and diagnostic tools as needing additional supports and interventions to read at grade level by the end of grade 3. Additional instructional time may be provided before, during, and after regular school hours or as part of a year-round balanced school calendar. All of the following apply to funding under this subsection:

(a) 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

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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 5 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 5 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) By 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 5, 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 5, 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 for 2024-2025 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.

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(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) By 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.

(8) From the allocation under subsection (1), the department shall allocate the amount of $5,000,000.00 for 2024-2025 only to an intermediate district or a consortium of intermediate districts to partner with the Michigan Education Corps for the PreK Reading Corps, the K3 Reading Corps, and the Math Corps. An intermediate district or a consortium of intermediate districts receiving funding under this subsection must forward the amount received under this subsection to the Michigan Education Corps for statewide services. As conditions of receiving funding from an intermediate district or a consortium of intermediate districts, all of the following apply to funding received by the Michigan Education Corps 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.

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(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) An intermediate district or a consortium of intermediate districts 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. An intermediate district or a consortium of intermediate districts shall award the entire amount allocated under this subsection to the Michigan Education Corps and shall not condition the forwarding 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 in 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 2024-2025 and 2025-2026 only to an intermediate district identified by the department 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 approved provider must establish and manage professional learning opportunities that are open to all school personnel described in this subsection as follows:

(a) The approved provider 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,

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kindergarten, and grade 1 teachers. The approved provider shall then open voluntary enrollment for the remaining school personnel described in this subsection.

(b) The approved provider must maintain open enrollment until all funds are expended.

(11) For the provision of professional learning to the school personnel described in subsection (10), LETRS is the approved provider of professional learning as long as 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.

(v) Continuous data-based decision making.

(12) Notwithstanding section 17b, the department shall make payments made under subsections (7) and (8) on a schedule determined by the department.

(13) 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:

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(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.

(d) "Fluency" means the ability to read with speed, accuracy, and proper expression.

(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.

(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.

(g) "Phonological" means relating to the system of contrastive relationships among the speech sounds that constitute the fundamental components of a language.

(h) "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.

(i) "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.

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History: Add. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: In subsection (1), as amended by Act 58 of 2019, the following phrase "and an amount not to exceed $3,000,000.00 from the talent investment fund" was vetoed by the governor on September 30, 2019.Subsection (7), as amended by Act 58 of 2019, was vetoed by the governor on September 30, 2019.Subsections (9) and (11), as added by Act 58 of 2019, were vetoed by the governor on September 30, 2019.

***** 388.1635a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1635a.amended Professional development; allocations; literacy coaches; professional development programs; professional learning opportunities; definitions.

Sec. 35a.

(1) From the appropriations in section 11, there is allocated for 2026-2027 an amount not to exceed $77,500,000.00 from the state school aid fund and an amount not to exceed $50,000,000.00 from the educator fellowship public provider fund for the purposes of this section. It is the intent of the legislature that, for 2027-2028, the allocation from the state school aid fund money appropriated in section 11 for the purposes described in this section will be $52,500,000.00. The superintendent shall designate staff or contracted employees funded under this section as critical shortage. For 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 literacy 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 literacy. The report described in this subdivision must include the number of literacy coaches supported by funding provided under subsection (2), including the number of coaches supported in each intermediate district, and the percentage of supported coaches that have received, or are in the process of receiving, professional learning by the approved provider described in subsection (5).

(2) From the state school aid fund money allocated under subsection (1), there is allocated an amount not to exceed $52,500,000.00 for 2026-2027 for the purpose of providing literacy coaches at intermediate districts to assist teachers in developing and implementing instructional strategies for pupils in grades pre-K to 5 so that pupils are reading at grade level by the end of grade 3. All of the following apply to funding under this subsection:

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

(i) Current state literacy standards for pupils in grades pre-K to 3.

(ii) Implementing an instructional delivery model based on 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 5 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 5 to read at grade level.

(b) From the allocation under this subsection, the department shall award grants to intermediate districts for the support of 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 4 literacy coaches in an equal amount per literacy coach, not to exceed $125,000.00.

(ii) After distribution of the grant funding under subparagraph (i), the department shall distribute grant funding for additional literacy coaches in an amount not to exceed $125,000.00 per literacy coach. The department shall ensure that each intermediate district receives funding for at least 1 additional literacy coach compared to the number of coaches funded under this section in 2025-2026.

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(iii) If funding under this subsection remains available after the distributions in subparagraphs (i) and (ii), the department shall distribute the remaining funds 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. Funds may be distributed under this section only after the department ensures that no intermediate district receives funding for fewer literacy coaches in 2026-2027 compared to the number of coaches for which the intermediate district received funding in 2025-2026.

(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.

(d) All literacy coaches funded under this subsection must have already received, or be making progress toward receiving, professional learning by the approved provider described in subsection (5).

(e) To be eligible to receive funding under this subsection, an intermediate district must provide the department with a list by September 1 of the immediately preceding fiscal year containing contact information for all literacy coaches funded under this subsection, in a form and manner determined by the department. An intermediate district shall communicate any personnel changes and changes to contact information for literacy coaches funded under this subsection to the department within 30 days of the personnel change or change in contact information.

(f) The department shall develop a coaching evaluation framework to be implemented in alignment to the literacy coaching model described in section 1280f of the revised school code, MCL 388.1280f.

(g) All literacy coaches funded under this subsection must comply with the requirements described in section 35o.

(3) If a district or intermediate district expends any funding received under subsection (2) for professional development in research-based effective reading instruction, the district or intermediate district shall select a professional development program from the list described in 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.

(4) From the state school aid fund money allocated under subsection (1), there is allocated an amount not to exceed $25,000,000.00, and from the educator fellowship public provider

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fund money allocated under subsection (1), there is allocated an amount not to exceed $50,000,000.00 for 2026-2027 only to an intermediate district identified by the department for the provision of professional learning by the approved provider described in subsection (5). All of the following apply to funding under this subsection:

(a) Funds must first be used to provide the professional learning described in subsection (5) to all of the following:

(i) Pre-K to grade 5 educators that provide, support, or oversee pre-K to grade 5 reading instruction.

(ii) Special education educators.

(iii) Administrators overseeing individuals described in subparagraphs (i) and (ii).

(iv) Literacy coaches.

(v) Faculty and staff at educator preparation programs that teach reading fundamental courses.

(vi) Partners that lead regional and statewide literacy professional development, as determined by the department.

(b) If funds remain after the allocation of funds under subdivision (a), districts that establish a public goal to train all qualifying staff may receive the following:

(i) Access to personalized training and support for district-wide implementation at no additional cost to the district.

(ii) If funding is available, grants to support district-wide completion of the professional learning described in subsection (5). Eligible costs under this subparagraph include hiring substitute teachers and compensating participants for additional time.

(c) For purposes of this subsection, the approved provider described in subsection (5) must establish and manage professional learning opportunities that are open to all school personnel described in this subsection.

(5) For the provision of professional learning to the school personnel described in subsection (4), LETRS is the approved provider of professional learning as long as 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:

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(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.

(f) On a quarterly basis, report all of the following information to the department, in a form and manner prescribed by the department:

(i) The total number of individuals who have completed the required professional learning, organized by role group.

(ii) The total number of individuals who are enrolled in the professional learning, organized by role group.

(iii) The total number of individuals who enrolled but withdrew from the professional learning prior to completion, organized by role group.

(iv) The total number of individuals who enrolled but transferred to a different cohort prior to completion, organized by role group.

(v) The cost per individual to enroll in the professional learning.

(vi) The total grant funds expended for all individuals who completed or enrolled in the professional learning during the quarter reported.

(vii) The total unused grant funds for the quarter reported.

(viii) The strategies and technical assistance provided to support participant completion.

(6) 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.

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(d) "Fluency" means the ability to read with speed, accuracy, and proper expression.

(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.

(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.

(g) "Phonological" means relating to the system of contrastive relationships among the speech sounds that constitute the fundamental components of a language.

(h) "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.

(i) "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.

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History: Add. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: In subsection (1), as amended by Act 58 of 2019, the following phrase "and an amount not to exceed $3,000,000.00 from the talent investment fund" was vetoed by the governor on September 30, 2019.Subsection (7), as amended by Act 58 of 2019, was vetoed by the governor on September 30, 2019.Subsections (9) and (11), as added by Act 58 of 2019, were vetoed by the governor on September 30, 2019.

388.1635b Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to an allocation to the Children's Choice Initiative for a program using a multisensory structured language education method.

388.1635c Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to the multisensory structured reading instruction professional developmental pilot program.

***** 388.1635d.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1635d.added Dyslexia teacher training program.

Sec. 35d.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2026-2027 only an amount not to exceed $1,000,000.00 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 described in this section. It is intended that supports funded under this section assist with the implementation of dyslexia requirements under section 1280f of the revised school code, MCL 380.1280f.

(2) A provider that provides programming that meets all of the following criteria is considered to be a provider of an eligible teacher training program for purposes of this section:

(a) The programming 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) The programming trains educators to teach reading using a proven, multisensory approach.

(c) The programming educates teachers on how to explicitly and effectively teach reading to beginning readers.

(d) The programming breaks reading and spelling down into smaller skills involving letters and sounds, and then builds on these skills over time.

(e) The programming 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 and 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.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1635d, which pertained to grants for teacher training program for children with dyslexia, was repealed by Act 15 of 2025, Imd. Eff. Oct. 7, 2025.

388.1635e Repealed 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to an allocation to Wayne State University to study this state's public school library program.

388.1635f Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to an award to Macomb Intermediate School District partnership with Chaldean Community Foundation for early childhood learning opportunities.

388.1635g Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to competitive grants for innovative community libraries.

388.1635h Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to an allocation to the Jewish Federation of Metro Detroit.

388.1635i Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to early literacy hubs and MiFamily Engagement Centers.

388.1635j Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to early literacy funding for districts and intermediate districts.

388.1635k Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Detroit Parent Network.

388.1635l Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Lake Shore Public Schools early childhood community center.

***** 388.1635m THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1635m.amended *****

388.1635m Literacy supports; Michigan Education Research Institute; literacy evaluations; eligibility; payments.

Sec. 35m.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed $64,400,000.00 for the purposes described in this section, including payments to improve educational outcomes in literacy.

(2) The department shall continue the committee for literacy achievement that includes representatives of higher education and early childhood literacy educators who have expertise in literacy instruction and research. The committee shall exist until at least September 2029. The department shall appoint the members of the committee for literacy achievement. The department shall develop a process to identify and assemble experts for the committee. The primary focus of the committee is to recommend tools and strategies with the goal of increasing student academic outcomes in the area of literacy. The committee is encouraged to collaborate with the Michigan Education Research Institute or other entities with similar

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expertise on the subject of literacy. The department shall determine the size and benchmarks of the committee. The committee shall do all of the following:

(a) Critically evaluate early literacy series and materials. The committee shall evaluate with research-based outcomes, using the committee's expertise in the field of literacy. The committee shall assign grade tiers to the series based on the series' likelihood to increase student literacy outcomes. Priority must be given to series that already have a demonstrated history of increasing student outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.

(b) Critically evaluate literacy professional development. The committee shall evaluate with research-based outcomes, using the committee's expertise in the field of literacy. The committee shall assign grade tiers to the professional development based on the professional development's likelihood to increase student literacy outcomes. Priority must be given to professional development that already has a demonstrated history of increasing student outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.

(c) Critically evaluate other applicable literacy tools or services the committee determines to have a high likelihood or demonstrated history of increasing student literacy outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.

(d) Create, maintain, and post annually on a publicly available website a rankings list of all early literacy series and other items the committee has evaluated. This includes items from each part of the rankings list, items evaluated in the 2024-2025 school year, and any subsequent items evaluated going forward. The committee shall denote on the list whether major changes have been made to an early literacy series or other item on the list since the early literacy series or other item was evaluated by the committee and if the early literacy series or other item has not been evaluated since the last ranking. The rankings list created in this subdivision must align with the list of evidence-based tier 1, classwide elementary reading curricula and materials that are aligned with science of reading methods that research has shown to improve literacy outcomes and help pupils achieve reading proficiency as required under section 1280f of the revised school code, MCL 380.1280f.

(3) An individual on the committee shall recuse themselves from evaluating early literacy series and other items that the individual has helped create, that the individual would benefit from financially, or for which the individual has any other conflict of interest.

(4) From the funds allocated in subsection (1), the department shall make payments to districts and intermediate districts in an amount determined by the department. The department shall not make payments under this subsection until it has critically evaluated as many early literacy series and other items from subsection (2) as possible. Payments under this subsection must be made during the current fiscal year to support district implementation in 2026-2027. The department shall use the rankings list described in subsection (2) as the basis for how funding is allocated in subsection (1) to districts and intermediate districts. Districts and intermediate districts using higher-ranked literacy tools that are proven to increase student outcomes shall receive more funding than districts and intermediate districts utilizing lower-

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ranked literacy tools in both the base award and the per-pupil awards described in this subsection. The department may determine that some districts and intermediate districts will not receive funding under this section based on the effectiveness of the early literacy series or other items being utilized by the district or intermediate district. The department shall award funding under this section using the following methodology:

(a) A base award equal to the amount necessary for the district or intermediate district to implement the chosen early literacy series or other item. The department may place a cap on the total award per district, intermediate district, or early literacy series or other item and may choose not to award funding if the early literacy series or other item is determined to be ineffective or is determined to be less effective than other choices.

(b) A tiered per-pupil award based on the number of pupils in membership at the district and intermediate district. The tiered per-pupil award must provide a higher per-pupil payment to districts and intermediate districts using higher-ranked early literacy series or other items as determined under subsection (2). The department may choose not to award funding if the early literacy series or other item is determined to be ineffective or is determined to be less effective than other choices.

(5) From the funding allocated in subsection (1), the department may pay an annual stipend of up to $8,000.00 for each member of the committee for literacy achievement who is employed by or at a public institution of higher education, a district, or an intermediate district. A stipend must be commensurate with the committee member's contribution to the committee. Funding must be paid to the public institution of higher education, the district, or the intermediate district where the committee member is employed, and the public institution of higher education, the district, or the intermediate district must then use funding received to award the stipend directly to the individual committee member. A committee member who is not employed by or at a public institution of higher education, a district, or an intermediate district is not eligible to receive a stipend under this subsection.

(6) To be eligible for funding under this section, a district or intermediate district must apply in a form and manner determined by the department. As a condition of receiving the funding, the district or intermediate district must agree to provide to the department information twice a year, on or before May 1 and October 1, on the early literacy series and other items used for the previous and current school years, and the early literacy series and other items to be used for the next school year. The early literacy series and other items used by districts and intermediate districts must be added to the annual rankings required under subsection (2).

(7) Except as otherwise provided in this section and notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(8) Funds allocated under subsection (1) for 2025-2026 are a work project appropriation, and any unexpended funds for 2025-2026 are carried forward into 2026-2027. The purpose of the work project is to improve literacy instructional practices. The estimated completion date of the work project is September 30, 2029.

(9) 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 $4,000,000.00 for 2025-2026 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 in this state. 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:

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(i) Literacy essentials teacher and principal training modules.

(ii) Face-to-face and online professional learning on 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. Regional lead literacy coaches described in this subparagraph 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) A provision of $500,000.00 under 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.

(b) By 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 in this subdivision must include student achievement results in English language arts 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.

(10) 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 $1,600,000.00 for 2025-2026 to expand the implementation of the literacy and social, emotional, and behavioral components of a multi-tiered system of supports, including positive behavioral interventions and supports, using the Michigan Multi-Tiered System of Supports Technical Assistance Center. Both of the following apply to funds allocated under this subsection:

(a) The department shall use funds allocated under this subsection, through an intermediate district, for the purpose of expanding the statewide expertise, technical assistance, and implementation of the multi-tiered system of supports, dyslexia expertise, and evidence-based instructional practices grounded in the science of reading using the Michigan Multi-Tiered System of Supports Technical Assistance Center, a nationally recognized program. In addition, the department shall identify an intermediate district to act as a fiscal agent for these funds.

(b) Up to 2% of funds allocated under this subsection may be used by the intermediate district serving as the fiscal agent for these funds to administer this subsection.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1635m.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1635m.amended Literacy supports; Michigan Education Research Institute; literacy evaluations; eligibility; payments.

Sec. 35m.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $50,000,000.00 for the purposes described in this section, including payments to improve educational outcomes in literacy.

(2) The department shall continue the committee for literacy achievement that includes representatives of higher education and early childhood literacy educators who have expertise in literacy instruction and research. The committee shall exist until at least September 2029. The department shall appoint the members of the committee for literacy achievement. The department shall develop a process to identify and assemble experts for the committee. The primary focus of the committee is to recommend tools and strategies with the goal of increasing student academic outcomes in the area of literacy. The committee is encouraged to collaborate with the Michigan Education Research Institute or other entities with similar expertise on the subject of literacy. The department shall determine the size and benchmarks of the committee. The committee shall do all of the following:

(a) Critically evaluate literacy series and materials. The committee shall evaluate with research-based outcomes, using the committee's expertise in the field of literacy. The committee shall assign grade tiers to the series based on the series' likelihood to increase student literacy outcomes. Priority must be given to series that already have a demonstrated history of increasing student outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.

(b) Critically evaluate literacy professional development. The committee shall evaluate with research-based outcomes, using the committee's expertise in the field of literacy. The committee shall assign grade tiers to the professional development based on the professional development's likelihood to increase student literacy outcomes. Priority must be given to professional development that already has a demonstrated history of increasing student outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.

(c) Critically evaluate other applicable literacy tools or services the committee determines to have a high likelihood or demonstrated history of increasing student literacy outcomes. The committee may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.

(d) Create, maintain, and post annually on a publicly available website a rankings list of all literacy series and other items the committee has evaluated. This includes items from each part of the rankings list, items evaluated in the 2024-2025 school year, and any subsequent items evaluated going forward. The committee shall denote on the list whether major changes have been made to a literacy series or other item on the list since the literacy series or other item was evaluated by the committee and if the literacy series or other item has not been evaluated since the last ranking. The rankings list created in this subdivision must align with the list of evidence-based tier 1, classwide elementary reading curricula and materials that are aligned with science of reading methods that research has shown to improve literacy outcomes and help pupils achieve reading proficiency as required under section 1280f of the revised school code, MCL 380.1280f. A list described in this subdivision may include a maximum of 15

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recommendations. Additional items may be evaluated. However, only the top 15 may be recommended for use.

(3) An individual on the committee shall recuse themselves from evaluating literacy series and other items that the individual has helped create, that the individual would benefit from financially, or for which the individual has any other conflict of interest.

(4) From the funds allocated in subsection (1), the department shall make payments to districts and intermediate districts in an amount necessary, as determined by the department, for a district or intermediate district to implement the chosen literacy item.

(5) From the funding allocated in subsection (1), the department may pay an annual stipend of up to $8,000.00 for each member of the committee for literacy achievement who is employed by or at a public institution of higher education, a district, or an intermediate district. A stipend must be commensurate with the committee member's contribution to the committee. Funding must be paid to the public institution of higher education, the district, or the intermediate district where the committee member is employed, and the public institution of higher education, the district, or the intermediate district must then use funding received to award the stipend directly to the individual committee member. A committee member who is not employed by or at a public institution of higher education, a district, or an intermediate district is not eligible to receive a stipend under this subsection.

(6) To be eligible for funding under this section, a district or intermediate district must apply in a form and manner determined by the department. As a condition of receiving the funding, the district or intermediate district must agree to provide to the department information twice a year, on or before May 1 and October 1, on the literacy series and other items used for the previous and current school years, and the literacy series and other items to be used for the next school year. The literacy series and other items used by districts and intermediate districts must be added to the annual rankings required under subsection (2).

(7) Except as otherwise provided in this section and notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1635n READ innovation competition; report.

Sec. 35n.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed $10,000,000.00 to the READ innovation competition. The READ innovation competition shall provide startup money to eligible districts to develop and deploy innovative literacy initiatives that make a positive impact on student literacy rates and shall provide incentive money to districts determined to have demonstrated the greatest impact. Funds allocated under this section are intended to foster district-led innovations in literacy instruction grounded in the science of reading, provide the state with insights into successful practices that could be scaled statewide, and improve student outcomes in literacy.

(2) The department, in collaboration with the literacy commission, shall establish the structure of the READ innovation competition, including the length of the competition,

eligible categories in which districts may compete, the methods and timelines by which districts must collect and report data, the number of rounds of competition, the number of districts eligible to advance to subsequent rounds, and the amount of incentive payments provided per round per district.

(3) To be eligible to receive funding under this section, a district or intermediate district must apply in a form and manner determined by the department. The application must include, at a minimum, all of the following:

(a) The competition category in which the district will compete.

(b) A description of the innovative literacy initiative the district intends to deploy during the competition, including its goals, strategies, target student population, impacted student count, and intended outcomes.

(c) A description of how the district will measure student literacy outcomes during the time frame of the competition in a reliable, periodic, and standardized way, including methods by which student progress in the applicant district can be benchmarked against student progress in other districts.

(d) An agreement to provide data necessary for the department to evaluate student growth.

(e) The amount of funding required by the district to implement the innovative literacy initiative.

(4) Applications received by the department under this section must be evaluated by the literacy commission. A member of the literacy commission shall abstain from evaluating an application and making funding decisions under this section for any district in which the member has a conflict of interest. The evaluation must be based on, at a minimum, all of the following:

(a) The quality of innovation being proposed, the alignment with the selected competition category, and the likelihood that it will result in the outcomes included in the district's application.

(b) The percentage of students districtwide that will be impacted by the proposed program during the time frame of the competition.

(c) The level to which student literacy growth in the applicant district can be benchmarked against student literacy growth in other districts.

(d) The likelihood that the proposed initiative, if successful, could be expanded statewide.

(5) The department shall award startup funding to a selection of the highest scoring applicants for each competition category, based on the evaluation of applicants by the literacy commission. The department may determine a maximum number of eligible districts per competition category. A district is only eligible to compete in 1 competition category. The department may determine a maximum amount of startup money that may be received by any district. Recipients of funding under this subsection must use that funding to implement the recipient's proposed innovative literacy initiatives.

(6) On a periodic basis determined by the department, for each eligible competition category in which a district may compete, the eligible districts must measure and report to the department, in a form and manner determined by the department, growth in student literacy scores amongst students targeted by the innovative literacy initiative. The districts demonstrating the highest levels of student literacy growth advance to the next round of the competition and are eligible for additional incentive money to further implement their innovative literacy initiatives. The department must repeat the process described in this subsection until a selection of 3 finalist districts for each competition category are determined.

(7) The finalist districts for each competition category shall prepare a presentation for the literacy commission with a summary of the district's innovative literacy initiative, including

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evidence of student growth, specific implementation strategies that led to success, a description of implementation obstacles and the methods used by the district to overcome these obstacles, and ways the program could be scaled for statewide implementation. Based on this summary and the overall demonstrated success of the program, the literacy commission shall select 1 winning district from each competition category. The winning district from each competition category is awarded, by the department, $500,000.00 to continue to support literacy initiatives and other academic needs of the district.

(8) At the conclusion of the READ innovation competition, the literacy commission shall provide a report to the governor, the house and senate school aid subcommittees, the house and senate fiscal agencies, and the state budget director on the winning literacy initiatives that could be scaled statewide to improve student literacy.

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

(10) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2028. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2028.

(11) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue to implement the READ innovation competition and provide payments to districts implementing innovative literacy initiatives. The estimated completion date of the work project is September 30, 2027.

(12) As used in this section:

(a) "Literacy commission" means a commission or committee selected or assembled by the department for the purposes of administering this section.

(b) "READ innovation competition" means the reading excellence and advancing district innovation competition.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024

***** 388.1635o.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1635o.added Literacy essentials; science and reading; report.

Sec. 35o.

(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 2026-2027 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 in this state to improve literacy instruction in alignment with the science of reading and section 1280f of the revised school code, MCL 380.1280f.

(2) Funding under this subsection must be used by the intermediate district described in subsection (1), in partnership with an association that represents intermediate district administrators in this state, to do all of the following:

(a) Maintain, and update as necessary based on research, the state's literacy essentials and disciplinary literacy essentials for grades pre-K to 12, including teacher and principal training modules and materials.

(b) Lead face-to-face and online professional learning on the state's literacy essentials and disciplinary literacy essentials for grades pre-K to 12 for literacy coaches, principals, and teachers.

(c) Lead face-to-face and online professional learning for school and district administrators and leadership teams about leading systems that support effective literacy instruction in all classrooms.

(d) Facilitate a statewide network of literacy coaches that ensures consistent use of evidence-based literacy practices including monthly communities of practice, regular coaching intensives, and an annual institute. In addition to completing training from the approved provider of professional learning described in section 35a(5), all literacy coaches funded under section 35a(2) must do all of the following, as applicable:

(i) Participate in the statewide coaching network described in this subdivision.

(ii) Participate in at least 1 coaching intensive.

(iii) Attend the annual institute.

(iv) Complete the literacy essentials and coaching modules.

(v) For literacy coaches who are new to the network, attend a new coach kickoff.

(e) Place regional lead literacy coaches to facilitate professional learning for literacy coaches. Regional lead literacy coaches described in this subdivision shall provide support for literacy coaches, teachers, and administrators, and shall facilitate regional data collection to evaluate the effectiveness of statewide literacy coaches funded under this section.

(f) Meet monthly with the department and the department of lifelong education, advancement, and potential to align efforts and achieve statewide goals to train every educator in the science of reading.

(3) By not later than September 1 of each year, the intermediate district described in subsection (1), 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, the state budget director, and the directors of the departments of education and lifelong education, advancement, and potential. The report described in this subdivision must include coaching cycle data by intermediate district, statewide student achievement results in English language arts, and survey results with feedback from teachers and administrators regarding the initiatives implemented under this section.

(4) Up to 2% of funds allocated under this section may be used by the association representing intermediate district administrators that is in partnership with the intermediate district as described in subsection (1) to administer this section.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1635p.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1635p.added High-impact tutoring programs; eligible tutoring partners; applications; requirements; definitions.

Sec. 35p.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $50,000,000.00 to implement high-impact tutoring programs through eligible tutoring partners in eligible districts.

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(2) Eligible tutoring partners shall apply for funding in a form and manner determined by the department. An application for funding described in this subsection must include at least all of the following:

(a) An identification of a district or intermediate district that will serve as a fiscal agent for awarded funds.

(b) A list of district partners that will be recipients of high-impact tutoring from the eligible tutoring partner, including a letter of support from each district that affirms their commitment to ensure alignment with tier 1 instruction, implementation fidelity, including, but not limited to, student usage and frequency, and participation in data sharing and training necessary to maximize outcomes.

(c) Projections for the number of students who will be served, broken down by partner district.

(d) A description of the efficacious nature of the eligible tutoring partner's program, including the ability of the eligible tutoring partner to hit certain benchmarks and goals, based on evidence.

(e) A plan for how the eligible tutoring partner will target high-impact tutoring for the highest need student populations based on some or all of the following criteria:

(i) Statewide assessment data.

(ii) Screeners or formative assessment scores.

(iii) Economically disadvantaged status.

(iv) Special education status.

(v) English language learner status.

(f) A planned budget for the high-impact tutoring program provided, including the total dollars necessary to serve the identified student population and an estimate of the percentage of awarded dollars that would be directly deployed for high-impact tutoring.

(g) A commitment to provide periodic reporting to each district served and to the department, in a form and manner determined by the department, to ensure funds are being spent in accordance with this section.

(h) A commitment to return any or all funds awarded if the department determines dollars are used in a way that violates this section.

(i) Any additional information required by the department to make informed decisions on awarding competitive grants under this section and to ensure financial stewardship of awarded dollars.

(3) The department shall award grants to applicants on a competitive basis, using at least all of the following in making award determinations:

(a) The cost effectiveness of the application based on the number of students projected to be served, the total requested budget, and the demonstrated outcome capacity of the high-impact tutoring program.

(b) The reasonability that the eligible tutoring partner will be able to meet the stated outcome benchmarks.

(c) Other criteria, as determined by the department, to ensure grants are awarded to the most impactful applicants.

(4) If the amount allocated in subsection (1) is not sufficient to fully fund all eligible tutoring partners that apply for funding, the department must prioritize grant awards to districts with the lowest levels of literacy proficiency, as determined by student scores on the Michigan student test of educational progress (M-STEP).

(5) The department may approve applications from eligible tutoring partners that offer innovative ways to reach students at a lower cost by waiving elements of high-impact tutoring

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described in subsection (11). This must include, but is not limited to, offering virtual programs. In such cases, the eligible tutoring partner submitting the application must provide evidence of program impact and implement an outcomes-based contract model.

(6) It is the intent of the legislature that the work associated with the grant application, oversight, and administration of awards under this section be performed primarily by the eligible tutoring partner and not by districts that have agreed to receive high-impact tutoring.

(7) If a district or intermediate district agrees to receive high-impact tutoring from an eligible tutoring partner, the district or intermediate district must do all of the following:

(a) Work with the eligible tutoring partner to identify students that would benefit from the program. The district or intermediate district must communicate with parents or legal guardians of identified students to describe the available program, outline possible student outcomes, and encourage student participation.

(b) To the extent possible, integrate the high-impact tutoring program with the district's Michigan Integrated Continuous Improvement Process (MICIP) plan.

(c) If the district or intermediate district is the fiscal agent for the eligible tutoring partner, except as otherwise provided in this subdivision, forward the amount awarded to the tutoring partner. The designated fiscal agent may retain up to 0.5% of the funding awarded to the tutoring partner for administrative purposes.

(8) All of the following apply to the funds allocated under this section:

(a) The department shall make award determinations and notifications by not later than January 15, 2027.

(b) The department shall make initial payments to identified fiscal agents by no later than March 1, 2027. Identified fiscal agents shall forward funding to eligible tutoring partners by not later than March 15, 2027.

(c) Eligible tutoring partners shall begin deploying services in recipient districts and intermediate districts before the end of the 2026-2027 school year.

(9) From the allocation in subsection (1), there is allocated $600,000.00 to the Clinton County Regional Educational Service Agency to work with the Michigan Association of Intermediate School Administrators (MAISA), to do all of the following:

(a) Provide a report on high-impact tutoring programs implemented with the funding allocated under subsection (1).

(b) Develop and provide technical assistance to districts in selecting high-impact tutoring strategies and integrating these strategies into district Michigan Integrated Continuous Improvement Process (MICIP) plans. Developing and providing technical assistance may include the design, review, and integration of eligible tutoring programs within the MiStrategyBank.

(c) Collect, aggregate, and report data in collaboration with the MAISA Michigan Collaborative Hub. An amount not to exceed $300,000.00 of the funds allocated under this subsection may be used for this purpose.

(d) Provide an annual report of the impact of high-impact tutoring programs to the office of the governor, the senate and house education committees, the senate and house appropriations subcommittees on school aid, and the state budget director.

(10) From the allocation in subsection (1), there is allocated not more than $5,000,000.00 for a parent-driven tutoring pilot. All of the following apply to the parent-driven tutoring pilot described in this subsection:

(a) The department shall award grants to districts to participate in a parent-driven tutoring pilot. The department shall do both of the following when making award determinations under this subdivision:

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(i) Prioritize applicants in an opportunity index band, as determined under section 6(21), of 4 or higher.

(ii) Ensure recipients represent both urban and rural districts and include all geographic regions of this state.

(b) A district that receives an award under this subsection shall open an application process to parents and legal guardians of students. The application must include the name of the chosen tutoring provider. Districts shall prioritize applications from parents and legal guardians of students that are economically disadvantaged and most academically at risk.

(c) Funds awarded through the application process described in subdivision (b) may be used for tutoring services through an evidence-based tutoring provider with whom the district is not currently partnered.

(d) A district receiving funds under this subsection shall make payments directly to the tutoring provider chosen on the application by a parent or legal guardian under subdivision (b).

(e) A district receiving funds under this section may retain 2.5% of funds for administration.

(f) A district shall provide a final report to the department including how many students participated in tutoring by grade level, which tutoring providers were used, and funds awarded by tutoring provider.

(11) As used in this section:

(a) "Eligible tutoring partner" means a tutoring provider, including, but not limited to, a tutoring provider created by for-profit vendors, nonprofit vendors, intermediate districts, districts, and the Michigan Schools for the Deaf and Blind, that provides high-impact tutoring and meets at least 1 of the following:

(i) Is included on the ProvenTutoring list maintained by the Center for Research and Reform in Education at Johns Hopkins University.

(ii) Has a Tutoring Program Design Badge as awarded by the National Student Support Accelerator, a program of the SCALE Initiative at Stanford University.

(iii) Is a vetted high-impact tutoring program included in the MiStrategyBank. If necessary, the Michigan Association of Intermediate School Administrators may convene a committee to review tutoring programs for inclusion in the MiStrategyBank.

(b) "High-impact tutoring" means, except as otherwise provided in this section, in-person tutoring that meets all of the following:

(i) Occurs before, during, or after the school day.

(ii) Is individualized, with tutor ratios not higher than 1:4.

(iii) Provides intensive support with a minimum of 2 sessions per week.

(iv) Uses a structured, evidence-based curriculum designed for tutoring, with formative assessments to track progress.

(v) Uses trained tutors.

(vi) Includes ongoing assessment and feedback.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1635q.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1635q.added Literacy achievement and opportunity transparency dashboard.

Sec. 35q.

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(1) By not later than March 1, 2027, the department, in collaboration with the department of lifelong education, advancement, and potential, and the center, shall publish to a publicly accessible location on its website and shall update periodically thereafter, as new data becomes available, a literacy achievement and opportunity transparency dashboard that includes at least the following:

(a) The percentage of children in this state with access to free, full-day pre-K opportunities.

(b) The percentage of pre-K to grade 5 educators in this state who are trained in the science of reading.

(c) The percentage of districts in this state using a curriculum funded under section 35m.

(d) Literacy-related results, including multiyear trend data, from the following state assessments:

(i) The grade 3 Michigan student test of educational progress (M-STEP).

(ii) The grade 7 Michigan student test of educational progress (M-STEP).

(iii) The SAT.

(iv) The National Assessment of Educational Progress (NAEP).

(e) Additional metrics that help the public and policymakers track statewide literacy progress.

(f) A summary of activities the state is taking to improve literacy outcomes.

(2) The data published under subsection (1) must be disaggregated by district and school demographics where possible.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1636.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1636.added Mathematics supports; committee for mathematics achievement.

Sec. 36.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $5,000,000.00 for the purposes described in this section, including payments to improve educational outcomes in mathematics.

(2) The department shall create the committee for mathematics achievement, which must include representatives of higher education and mathematics educators who have expertise in mathematics instruction and research. The committee shall exist until at least September 2029. The department shall appoint the members of the committee for mathematics achievement. The department shall develop a process to identify and assemble experts for the committee for mathematics achievement. The primary focus of the committee for mathematics achievement is to recommend curricula and materials with the goal of increasing student academic outcomes in the area of mathematics. The committee for mathematics achievement is encouraged to collaborate with entities with expertise on the subject of mathematics. The department shall determine the size and benchmarks of the committee for mathematics achievement. The committee for mathematics achievement shall do all of the following:

(a) Critically evaluate K to 5 mathematics curricula and materials. The committee for mathematics achievement shall evaluate with research-based outcomes, using the committee for mathematics achievement's expertise in the field of mathematics. The committee for mathematics achievement shall assign grade tiers to a curriculum based on the curriculum's likelihood of increasing student mathematics outcomes. Priority must be given to curricula that already have a demonstrated history of increasing student outcomes. The committee for

mathematics achievement may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee for mathematics achievement is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.

(b) Create, maintain, and annually post on a publicly available website a rankings list of all K to 5 mathematics curricula the committee for mathematics achievement has evaluated. This includes items from each part of the rankings list, items evaluated in the 2026-2027 school year, and any subsequent items evaluated going forward. The committee for mathematics achievement shall denote on the list whether major changes have been made to a mathematics curriculum on the list since the mathematics curriculum was evaluated by the committee for mathematics achievement and if the mathematics curriculum has not been evaluated since the last ranking.

(c) The committee for mathematics achievement must select not more than 5 mathematics curricula to recommend for purchase by districts.

(3) An individual on the committee for mathematics achievement shall recuse themselves from evaluating mathematics curricula or other items that the individual has helped create, that the individual would benefit from financially, or for which the individual has any other conflict of interest.

(4) From the funds allocated in subsection (1), and subject to subsection (6), the department shall make payments to districts and intermediate districts in an amount determined by the department. The department shall not make payments under this subsection until the committee for mathematics achievement has critically evaluated as many mathematics curricula and other items from subsection (2) as possible. Payments under this subsection may be used only to purchase 1 of the 5 mathematics curricula described in subsection (2)(c). If funding remains after all payments have been made to districts and intermediate districts, the department may open a second round of applications. The department shall award funding under this subsection as a formula grant in an amount equal to the amount necessary for the district or intermediate district to implement the chosen mathematics curriculum or other item until funding is depleted. The department may place a cap on the total award per district or intermediate district.

(5) From the funds allocated in subsection (1), the department may pay an annual stipend of up to $8,000.00 for each member of the committee for mathematics achievement who is employed by or at a public institution of higher education, a district, or an intermediate district. A stipend paid under this subsection must be commensurate with the committee member's contribution to the committee for mathematics achievement. Funding must be paid to the public institution of higher education, the district, or the intermediate district where the committee member is employed, and the public institution of higher education, the district, or the intermediate district must then use funding received to award the stipend directly to the individual committee member. A committee member who is not employed by or at a public institution of higher education, a district, or an intermediate district is not eligible to receive a stipend under this subsection.

(6) To be eligible for funding under subsection (4), a district or intermediate district must apply in a form and manner determined by the department. As a condition of receiving the funding, the district or intermediate district must agree to provide to the department information twice per year, on or before May 1 and October 1, on the mathematics curriculum used for the previous and current school years, and the mathematics curriculum and other items to be used for the next school year. The mathematics curricula used by districts and

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intermediate districts described in this subsection must be added to the annual rankings required under subsection (2).

(7) Except as otherwise provided in this section and notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(8) Funds allocated under subsection (1) for 2026-2027 are a work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028. The purpose of the work project is to improve mathematics instructional practices. The estimated completion date of the work project is September 30, 2029.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1636, which pertained to comprehensive compensatory programs to improve readiness and achievement of educationally disadvantaged children, was repealed by Act 297 of 2000, Eff. Oct. 1, 2000.

***** 388.1636a.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1636a.added STEM supports; committee for STEM.

Sec. 36a.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $5,000,000.00 for the purposes described in this section, including payments to improve educational outcomes in STEM.

(2) The department shall create the committee for STEM achievement, which must include representatives of higher education and STEM educators who have expertise in STEM instruction and research. The committee for STEM achievement shall exist until at least September 2029. The department shall appoint the members of the committee for STEM achievement. The department shall develop a process to identify and assemble experts for the committee for STEM achievement. The primary focus of the committee for STEM achievement is to recommend tools and strategies with the goal of increasing student academic outcomes in the areas of STEM. The committee for STEM achievement is encouraged to collaborate with entities with expertise on the subject of STEM. The department shall determine the size and benchmarks of the committee for STEM achievement. The committee for STEM achievement shall do both of the following:

(a) Critically evaluate applicable STEM tools or services for classroom instruction for pupils in grades 3 to 8 that the committee for STEM achievement determines to have a high likelihood or demonstrated history of increasing student STEM outcomes. The committee for STEM achievement may perform an evaluation under this subdivision based on submissions from a vendor, but must independently verify the validity of information provided by the vendor. The committee for STEM achievement is also strongly encouraged to evaluate available materials not submitted to the department by a vendor.

(b) Create, maintain, and post annually on a publicly available website a rankings list of all STEM items that the committee for STEM achievement has evaluated. This includes items from each part of the rankings list, items evaluated in the 2026-2027 school year, and any subsequent items evaluated going forward. The committee for STEM achievement shall denote on the list whether major changes have been made to a STEM item on the list since the STEM item was evaluated by the committee for STEM achievement and if the STEM item has not been evaluated since the last ranking.

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(3) An individual on the committee for STEM achievement shall recuse themselves from evaluating STEM items that the individual has helped create, that the individual would benefit from financially, or for which the individual has any other conflict of interest.

(4) From the funds allocated in subsection (1), the department shall make payments to districts and intermediate districts in an amount determined by the department. The department shall not make payments under this subsection until the committee for STEM achievement has critically evaluated as many STEM items from subsection (2) as possible. If funding remains after all payments have been made to districts and intermediate districts, the department may open a second round of applications. The department shall award funding under this subsection as a formula grant in an amount equal to the amount necessary for the district or intermediate district to implement the chosen STEM item until funding is depleted. The department may place a cap on the total award per district or intermediate district. Funds under this subsection may not be used to purchase curricula that may be purchased using funds under section 36.

(5) From the funding allocated in subsection (1), the department may pay an annual stipend of up to $8,000.00 for each member of the committee for STEM achievement who is employed by or at a public institution of higher education, a district, or an intermediate district. A stipend paid under this subsection must be commensurate with the committee member's contribution to the committee for STEM achievement. Funding must be paid to the public institution of higher education, the district, or the intermediate district where the committee member is employed, and the public institution of higher education, the district, or the intermediate district must then use funding received to award the stipend directly to the individual committee member. A committee member who is not employed by or at a public institution of higher education, a district, or an intermediate district is not eligible to receive a stipend under this subsection.

(6) To be eligible for funding under this section, a district or intermediate district must apply in a form and manner determined by the department. As a condition of receiving the funding, the district or intermediate district must agree to provide to the department information twice per year, on or before May 1 and October 1, on the STEM items used for the previous and current school years, and the STEM items to be used for the next school year. The STEM items used by districts and intermediate districts must be added to the annual rankings required under subsection (2).

(7) Except as otherwise provided in this section and notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(8) Funds allocated under subsection (1) for 2026-2027 are a work project appropriation, and any unexpended funds for 2026-2027 are carried forward into 2027-2028. The purpose of the work project is to improve STEM instructional practices. The estimated completion date of the work project is September 30, 2029.

(9) As used in this section, "STEM" means science, technology, engineering, and mathematics.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1636a, which pertained to grants for community based collaborative prevention services, was repealed by Act 297 of 2000, Eff. Oct. 1, 2000.

388.1637 Repealed. 2009, Act 121, Imd. Eff. Oct. 19, 2009.

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Compiler's Notes: The repealed section pertained to eligibility of district for allocation under MCL 388.1632d.

388.1637a Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to conditions in which requirements of MCL 388.1637(h) are considered met.

388.1638 Repealed. 2009, Act 121, Imd. Eff. Oct. 19, 2009.

Compiler's Notes: The repealed section pertained to number of prekindergarten children in need of special readiness assistance.

***** 388.1639 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1639.amended *****

388.1639 Receipt of funds under MCL 388.1632d; application; great start readiness target foundation amount; initial allocation; calculation of percentage of eligible children; additional eligible children; review of program components.

Sec. 39.

(1) An eligible applicant receiving funds under section 32d shall submit an application, in a form and manner prescribed by the department of lifelong education, advancement, and potential, by a date specified by the department of lifelong education, advancement, and potential 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 age-eligible children in the community, as provided to the applicant by the department of lifelong education, advancement, and potential utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department of lifelong education, advancement, and potential shall ensure that it provides updated American Community Survey population data at least once every 3 years.

(b) The estimated number of age-eligible children in the community who are being served exclusively by Head Start programs operating in the community.

(c) The number of children whom the applicant will have the capacity to serve in each eligible great start readiness program option who meet the age-eligible criteria of section 32d.

(2) The great start readiness target foundation amount for 2025-2026 is $10,650.00.

(3) 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 of lifelong education, advancement, and potential, by a date specified by the department of lifelong education, advancement, and potential, that details how the applicant complies with the program components established by the department of lifelong education, advancement, and potential under section 32d.

(4) Subject to subsection (5), the initial allocation to each eligible applicant under section 32d is equal to the sum of the following:

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(a) The number of children in the current school year served in a program determined by the department of lifelong education, advancement, and potential to be a school-day program multiplied by the great start readiness target foundation.

(b) The number of children in the current school year served in a program determined by the department of lifelong education, advancement, and potential to be a part-day program or a school-day blended with Head Start multiplied by the great start readiness target foundation divided by 2.

(c) The total number of children in the current school year served in a program determined by the department of lifelong education, advancement, and potential to be an extended program multiplied by the great start readiness target foundation multiplied by 1.2.

(d) The number of children in the current school year served in a program determined by the department of lifelong education, advancement, and potential to be an extended program blended with Head Start or a part-day extended program multiplied by the great start readiness target foundation multiplied by 0.6.

(5) Subject to subsection (6), if the calculations under subsection (4) result in a total allocation exceeding the amount available as allocated or appropriated under section 32d(2), initial allocations to each eligible applicant under section 32d are calculated as the sum of the following:

(a) An amount equal to the calculations described in subsection (4) but using for those calculations the lesser of the number of children served in the immediately preceding fiscal year or the number of children the applicant has the capacity to serve in the current fiscal year instead of the number of children served in the current fiscal year.

(b) An amount equal to the remaining available dollars after calculations in subdivision (a) distributed proportionately to eligible applicants where calculations under subdivision (a) are less than the amount originally calculated under subsection (4).

(6) If the calculations under subsection (5) result in a total allocation exceeding the amount available as allocated or appropriated under section 32d(2), the initial allocation to each eligible applicant is the amount calculated under subsection (4) prorated on an equal percentage basis.

(7) 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.

(8) The department of lifelong education, advancement, and potential shall review the program components under section 32d and under this section at least biennially. The department of lifelong education, advancement, and potential 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.

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History: Add. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1988, Act 509, Imd. Eff. Dec. 29, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008,

Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Section 2 of Act 220 of 1987 provides: “In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00.”Section 4 of Act 220 of 1987 provides: “The changes effected by this amendatory act shall be applied retroactively to October 1, 1987.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 3 of Act 48 of 2021 provides:"Enacting section 3. (1) Except as otherwise provided in subsection (2), this amendatory act takes effect October 1, 2021.(2) Sections 6(8), 6a, 11, 11m, 11n, 11s(3), 22a, 22b, 24, 26c, 29a, 31d, 31f, 39a, 51a, 51c, 51d, 56, 62, 81, 104a, 147a, and 147e of the state school aid act of 1979, 1979 PA 94, MCL 388.1606, 388.1606a, 388.1611, 388.1611m, 388.1611n, 388.1611s, 388.1622a, 388.1622b, 388.1624, 388.1626c, 388.1629a, 388.1631d, 388.1631f, 388.1639a, 388.1651a, 388.1651c, 388.1651d, 388.1656, 388.1662, 388.1681, 388.1704a, 388.1747a, and 388.1747e, as amended and sections 11t, 31p, and 39(9) of the state school aid act of 1979, 1979 PA 94, as added by this amendatory act, take effect upon enactment of this amendatory act."

***** 388.1639.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1639.amended Receipt of funds under MCL 388.1632d; application; great start readiness target foundation amount; initial allocation; calculation of percentage of eligible children; additional eligible children; review of program components.

Sec. 39.

(1) An eligible applicant receiving funds under section 32d shall submit an application, in a form and manner prescribed by the department of lifelong education, advancement, and potential, by a date specified by the department of lifelong education, advancement, and potential 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:

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(a) The estimated total number of age-eligible children in the community, as provided to the applicant by the department of lifelong education, advancement, and potential utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department of lifelong education, advancement, and potential shall ensure that it provides updated American Community Survey population data at least once every 3 years.

(b) The estimated number of age-eligible children in the community who are being served exclusively by Head Start programs operating in the community.

(c) The number of children whom the applicant will have the capacity to serve in each eligible great start readiness program option who meet the age-eligible criteria of section 32d.

(2) The great start readiness target foundation amount for 2026-2027 is $11,736.00.

(3) 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 of lifelong education, advancement, and potential, by a date specified by the department of lifelong education, advancement, and potential, that details how the applicant complies with the program components established by the department of lifelong education, advancement, and potential under section 32d.

(4) Subject to subsection (5), the initial allocation to each eligible applicant under section 32d is equal to the sum of the following:

(a) The number of children in the current school year served in a program determined by the department of lifelong education, advancement, and potential to be a school-day program multiplied by the great start readiness target foundation.

(b) The number of children in the current school year served in a program determined by the department of lifelong education, advancement, and potential to be a part-day program or a school-day blended with Head Start multiplied by the great start readiness target foundation divided by 2.

(c) The total number of children in the current school year served in a program determined by the department of lifelong education, advancement, and potential to be an extended program multiplied by the great start readiness target foundation multiplied by 1.2.

(d) The number of children in the current school year served in a program determined by the department of lifelong education, advancement, and potential to be an extended program blended with Head Start or a part-day extended program multiplied by the great start readiness target foundation multiplied by 0.6.

(5) Subject to subsection (6), if the calculations under subsection (4) result in a total allocation exceeding the amount available as allocated or appropriated under section 32d(2), initial allocations to each eligible applicant under section 32d are calculated as the sum of the following:

(a) An amount equal to the calculations described in subsection (4) but using for those calculations the lesser of the number of children served in the immediately preceding fiscal year or the number of children the applicant has the capacity to serve in the current fiscal year instead of the number of children served in the current fiscal year.

(b) An amount equal to the remaining available dollars after calculations in subdivision (a) distributed proportionately to eligible applicants where calculations under subdivision (a) are less than the amount originally calculated under subsection (4).

(6) If the calculations under subsection (5) result in a total allocation exceeding the amount available as allocated or appropriated under section 32d(2), the initial allocation to each eligible applicant is the amount calculated under subsection (4) prorated on an equal percentage basis.

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(7) 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.

(8) The department of lifelong education, advancement, and potential shall review the program components under section 32d and under this section at least biennially. The department of lifelong education, advancement, and potential 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.

(9) Each intermediate district or consortium of intermediate districts that receives funds under section 32d shall report all of the following to the department of lifelong education, advancement, and potential by not later than September 15 of the immediately preceding fiscal year, December 15, and March 15:

(a) The total number of children enrolled in all great start readiness programs administered by the intermediate district or consortium of intermediate districts, disaggregated by program type and by provider type.

(b) The total number of children on a waitlist for all great start readiness programs administered by the intermediate district or consortium of intermediate districts.

(c) The estimated total capacity of all great start readiness programs administered by the intermediate district or consortium of intermediate districts.

(10) By not later than October 1, January 1, and April 1 of each fiscal year, the department of lifelong education, advancement, and potential shall report to the house and senate fiscal agencies and the state budget office on the data collected under subsection (9), disaggregated by intermediate district or consortium of intermediate districts. The report must include grant application information included under subsection (1) for each intermediate district or consortium of intermediate districts. The department of lifelong education, advancement, and potential shall submit the report described in this subsection in a spreadsheet-compatible format.

(11) To assist the legislature in determining necessary funding levels to support payments for the great start readiness program as calculated under this section, each revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b, must include an estimated enrollment in great start readiness programs for the current and two subsequent fiscal years.

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History: Add. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1988, Act 509, Imd. Eff. Dec. 29, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021,

Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Section 2 of Act 220 of 1987 provides: “In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00.”Section 4 of Act 220 of 1987 provides: “The changes effected by this amendatory act shall be applied retroactively to October 1, 1987.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 3 of Act 48 of 2021 provides:"Enacting section 3. (1) Except as otherwise provided in subsection (2), this amendatory act takes effect October 1, 2021.(2) Sections 6(8), 6a, 11, 11m, 11n, 11s(3), 22a, 22b, 24, 26c, 29a, 31d, 31f, 39a, 51a, 51c, 51d, 56, 62, 81, 104a, 147a, and 147e of the state school aid act of 1979, 1979 PA 94, MCL 388.1606, 388.1606a, 388.1611, 388.1611m, 388.1611n, 388.1611s, 388.1622a, 388.1622b, 388.1624, 388.1626c, 388.1629a, 388.1631d, 388.1631f, 388.1639a, 388.1651a, 388.1651c, 388.1651d, 388.1656, 388.1662, 388.1681, 388.1704a, 388.1747a, and 388.1747e, as amended and sections 11t, 31p, and 39(9) of the state school aid act of 1979, 1979 PA 94, as added by this amendatory act, take effect upon enactment of this amendatory act."

***** 388.1639a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1639a.amended *****

388.1639a Allocation of federal funds for federal programs under the no child left behind act or every student succeeds act; definitions.

Sec. 39a.

(1) From the federal funds appropriated in section 11, there is allocated for 2025-2026 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at $824,700,000.00, 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 2025-2026 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 2025-2026 for the purpose of preparing, training, and recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving teacher quality funds.

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(c) An amount estimated at $13,000,000.00 for 2025-2026 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 2025-2026 for rural and low-income schools, funded from DED-OESE, rural and low income school funds.

(e) An amount estimated at $585,000,000.00 for 2025-2026 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 2025-2026 for the purpose of identifying and serving migrant children, funded from DED-OESE, title I, migrant education funds.

(g) An amount estimated at $40,400,000.00 for 2025-2026 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 2025-2026 to help support local school improvement efforts, funded from DED-OESE, title I, local school improvement grants.

(i) An amount estimated at $55,000,000.00 for 2025-2026 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 2025-2026 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 $1,000,000.00 for 2025-2026 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 $66,415,000.00 for 2025-2026 for the following programs that are funded by federal grants:

(a) An amount estimated at $3,000,000.00 for 2025-2026 to provide services to homeless children and youth, funded from DED-OVAE, homeless children and youth funds.

(b) An amount estimated at $30,000,000.00 for 2025-2026 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 2025-2026 for the Michigan charter school subgrant program, funded from DED–OII, public charter schools program funds.

(d) An amount estimated at $17,700,000.00 for 2025-2026 for the purpose of promoting and expanding high-quality preschool services, funded from HHS–OCC, preschool development funds.

(e) An amount estimated at $1,715,000.00 for 2025-2026 for the purpose of addressing priority substance abuse treatment, prevention, and mental health needs, funded from HHS-SAMHSA.

(3) The department, or, for subsections (1)(g) and (2)(d), the department of lifelong education, advancement, and potential, 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 or the department of lifelong education, advancement, and potential, as applicable, shall make payments of federal funds to districts,

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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, or, for subsections (1)(g) and (2)(d), the department of lifelong education, advancement, and potential, 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, or, for subsections (1)(g) and (2)(d), the department of lifelong education, advancement, and potential, 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 Human Services.

(f) "HHS-OCC" means the HHS Office of Child Care.

(g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental Health Services Project.

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History: Add. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 92, Imd. Eff. Oct. 1, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at

$11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 92 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for the fiscal period beginning October 1, 2007 and ending October 31, 2007 is estimated at $1,052,305,700.00 .00 and state appropriations to be paid to local units of government for the fiscal period beginning October 1, 2007 and ending October 31, 2007 are estimated at $1,044,700,000.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."The second sentence of subsection (1)(m), and subsections (1)(m)(i), (ii), and (iii), as amended by Act 121 of 2009, were vetoed by the governor on October 19, 2009.Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."

***** 388.1639a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1639a.amended Allocation of federal funds for federal programs under the no child left behind act or every student succeeds act; definitions.

Sec. 39a.

(1) From the federal funds appropriated in section 11, there is allocated for 2026-2027 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at $1,100.00 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 $100.00 for 2026-2027 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 $100.00 for 2026-2027 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 $100.00 for 2026-2027 for programs to teach English to limited English proficient (LEP) children, funded from DED-OESE, language acquisition state grant funds.

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(d) An amount estimated at $100.00 for 2026-2027 for rural and low-income schools, funded from DED-OESE, rural and low-income school funds.

(e) An amount estimated at $100.00 for 2026-2027 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 $100.00 for 2026-2027 for the purpose of identifying and serving migrant children, funded from DED-OESE, title I, migrant education funds.

(g) An amount estimated at $100.00 for 2026-2027 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 $100.00 for 2026-2027 to help support local school improvement efforts, funded from DED-OESE, title I, local school improvement grants.

(i) An amount estimated at $100.00 for 2026-2027 to improve the academic achievement of students, funded from DED-OESE, title IV, student support and academic enrichment grants.

(j) An amount estimated at $100.00 for 2026-2027 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 $100.00 for 2026-2027 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 $500.00 for 2026-2027 for the following programs that are funded by federal grants:

(a) An amount estimated at $100.00 for 2026-2027 to provide services to homeless children and youth, funded from DED-OVAE, homeless children and youth funds.

(b) An amount estimated at $100.00 for 2026-2027 for providing career and technical education services to pupils, funded from DED-OVAE, basic grants to states.

(c) An amount estimated at $100.00 for 2026-2027 for the Michigan charter school subgrant program, funded from DED–OII, public charter schools program funds.

(d) An amount estimated at $100.00 for 2026-2027 for the purpose of promoting and expanding high-quality preschool services, funded from HHS-OECD preschool development funds.

(e) An amount estimated at $100.00 for 2026-2027 for the purpose of addressing priority substance abuse treatment, prevention, and mental health needs, funded from HHS-SAMHSA.

(3) The department, or, for subsections (1)(g) and (2)(d), the department of lifelong education, advancement, and potential, 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 or the department of lifelong education, advancement, and potential, as applicable, 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, or, for subsections (1)(g) and (2)(d), the department of lifelong education, advancement, and potential, shall allow an intermediate district to submit a consortium

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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, or, for subsections (1)(g) and (2)(d), the department of lifelong education, advancement, and potential, 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.

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(e) "HHS" means the United States Department of Health and Human Services.

(f) "HHS-OECD" means the HHS Office of Early Childhood Development.

(g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental Health Services Project.

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History: Add. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 92, Imd. Eff. Oct. 1, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at

$11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 92 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for the fiscal period beginning October 1, 2007 and ending October 31, 2007 is estimated at $1,052,305,700.00 .00 and state appropriations to be paid to local units of government for the fiscal period beginning October 1, 2007 and ending October 31, 2007 are estimated at $1,044,700,000.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."The second sentence of subsection (1)(m), and subsections (1)(m)(i), (ii), and (iii), as amended by Act 121 of 2009, were vetoed by the governor on October 19, 2009.Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."

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388.1640 Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to children in need of special readiness assistance.

388.1641 Repealed. 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to allocations to certain districts for English language learners.

388.1641a Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to an allocation to Mi Alma and the Exito Educativo program.

388.1641b Repealed. 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to immigrant education-support services such as English-as-a-second language services.

388.1643 Repealed. 2016, Act 249, Eff. Oct. 1, 2016.

Compiler's Notes: The repealed section pertained to updating teacher certification tests.

388.1645-388.1648 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to school health education curriculum, school dropout prevention programs, gifted and talented pupil programs, and nonresidential alternative juvenile rehabilitation programs.

388.1651 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to reimbursement to districts and intermediate districts for special education programs, services, and personnel, certain net tuition payments, and programs for pupils with handicaps.

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388.1651a Allocations for reimbursement to districts and intermediate districts for special education programs, services, and personnel; net tuition payments for Michigan Schools for the Deaf and Blind; programs for pupils eligible for special education programs and services; shortfall; adjustments; total approved costs; refund; foundation allowance; order of expenditures; responsibility for added costs of special education programs and services for pupil enrolled in public school academy; receipt of federal allocation by cyber school; report of certain information.

Sec. 51a.

(1) From the state school aid fund money in section 11, there is allocated an amount not to exceed $2,125,396,100.00 for 2025-2026 and there is allocated an amount not to exceed $2,264,337,500.00 for 2026-2027. 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, there is allocated an amount estimated at $500,000,000.00 for 2025-2026 and $100.00 for 2026-2027, 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 $457,800,000.00 for 2025-2026 and $495,200,000.00 for 2026-2027, 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.

(3) If the department determines that the amount allocated for a fiscal year to a district or intermediate district under subsection (2) is insufficient to fulfill the specified percentages in subsection (2), the department shall pay the shortfall to the district or intermediate district during the fiscal year beginning on the October 1 following the determination. If the department determines that the amount 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), 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.

(4) State funds are allocated on a total approved cost basis. Federal funds are allocated under applicable federal requirements.

(5) From the amount allocated in subsection (1), there is allocated an amount not to exceed $3,200,000.00 for 2025-2026 and 2026-2027 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.

(6) 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) 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.

(c) 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

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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.

(7) 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.

(8) 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.

(9) 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.

(10) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at $1,800,000.00 for 2025-2026 and estimated at $1,800,000.00 for 2026-2027, 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.

(11) If it is determined that funds allocated under subsection (2) or (10) 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 (10) or under section 51c to fully fund those allocations. After payments under subsections (2) and (10) 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 (5).

(c) One hundred percent of the payment required under section 54.

(d) One hundred percent of the payments under section 56.

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(12) The allocations under subsections (2) and (10) 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.

(13) 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.

(14) 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.

(15) 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.

(16) 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.

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History: Add. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2004, Act 518, Imd. Eff. Jan. 3, 2005 ;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 90, Imd. Eff. Apr. 4, 2006 ;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2010, Act 217, Imd. Eff. Dec. 3, 2010 ;-- Am. 2011, Act 62, Imd. Eff. June 21, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2013, Act 60, Imd. Eff. June 13, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Imd. Eff. June 17, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2016, Act 534, Eff. Apr. 9, 2017 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 98 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112

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of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 217 of 2010 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 204, and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00.(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 110, and in 2009 PA 121 from state sources for fiscal year 2009-2010 is estimated at $10,645,097,700.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,562,169,000.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332,600.00."In subsection (6)(c), the reference to "the constituent does" evidently should read "the constituent district does".

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388.1651b Funding; compliance with rules.

Sec. 51b.

A district or intermediate district shall not receive funds under section 51a unless the district or intermediate district complies with rules promulgated under article 3 of the revised school code, being sections 380.1701 to 380.1766 of the Michigan Compiled Laws.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013

388.1651c Reimbursement for percentage of special education and special education transportation costs.

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 2025-2026 and for 2026-2027 the amount necessary, estimated at $1,056,400,000.00 for 2025-2026 and $1,141,700,000.00 for 2026-2027, 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.

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2011, Act 62, Imd. Eff. June 21, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2013, Act 60, Imd. Eff. June 13, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Imd. Eff. June 17, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Imd. Eff. Sept. 30, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 98 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112 of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution

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of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332,600.00."

***** 388.1651d THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1651d.amended *****

388.1651d Federally funded special education programs and services; distribution; payment schedule; "DED-OSERS" defined.

Sec. 51d.

(1) From the federal funds appropriated in section 11, there is allocated for 2025-2026 all available federal funding, estimated at $83,000,000.00, 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 2025-2026, an amount estimated at $14,000,000.00 for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

(b) For 2025-2026, 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 2025-2026, an amount estimated at $55,000,000.00 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.

History: Add. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act

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110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1651d.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1651d.amended Federally funded special education programs and services; distribution; payment schedule; "DED-OSERS" defined.

Sec. 51d.

(1) From the federal funds appropriated in section 11, there is allocated for 2026-2027 all available federal funding, estimated at $300.00, 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

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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 2026-2027, an amount estimated at $100.00 for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

(b) For 2026-2027, an amount estimated at $100.00 for preschool grants under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds.

(c) For 2026-2027, an amount estimated at $100.00 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.

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History: Add. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct 1, 2026

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008

provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

388.1651e Special education pupils foundation allowance payment.

Sec. 51e.

(1) From the allocation under section 51a(1), there is allocated for the amount necessary, estimated at $519,800,000.00 for 2025-2026 and $533,200,000.00 for 2026-2027, for payments to districts and intermediate districts for 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 100% of the foundation allowance under section 20 of the pupil's district of residence, plus 100% of the amount of the district's per-pupil allocation under section 20m, not to exceed 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 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 100% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 100% of the target foundation allowance for the current fiscal year, and 100% of that district's per-pupil allocation under section 20m.

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History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

388.1651f Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to payments to districts and intermediate districts to increase reimbursement costs associated with providing special education services.

***** 388.1651g THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1651g.amended *****

388.1651g Allocation to association for administrators of special education services; special education needs in remote learning enrichments; use of funds.

Sec. 51g.

From the general fund money appropriated in section 11, $3,000,000.00 is allocated for 2025-2026 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.

History: Add. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1651g.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1651g.amended Allocation to association for administrators of special education services; special education needs in remote learning environments; use of funds.

Sec. 51g.

From the general fund money appropriated in section 11, $3,000,000.00 is allocated for 2026-2027 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.

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History: Add. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1651h Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to special education study.

***** 388.1651i.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1651i.added Weighted special education funding formula.

Sec. 51i.

(1) It is the intent of the legislature that, beginning in the fiscal year ending September 30, 2028, a weighted special education funding formula begins to be implemented to recognize the higher costs associated with certain student needs.

(2) It is the intent of the legislature that a weighted special education funding formula described in subsection (1) be implemented in a way to work toward the following target

weights for payments to districts and intermediate districts for identified special education students:

(a) Speech and language impairment, 1.1.

(b) Specific learning disability, 1.1.

(c) Other health impairment multiplied, 1.8.

(d) Physical impairment multiplied, 3.1.

(e) Severe multiple impairments, 3.1.

(f) Cognitive impairment, 3.1.

(g) Deaf or hard of hearing multiplied, 3.1.

(h) Deaf-blindness, 3.1.

(i) Emotional impairment multiplied, 3.8.

(j) Visual impairment, 3.8.

(k) Early childhood developmental delays, 3.8.

(l) Autism spectrum disorder, 3.8.

(m) Traumatic brain injury, 3.8.

(3) It is the intent of the legislature that payments to districts and intermediate districts under the formula described in this section be adjusted to take into account available federal revenue and local revenue generating capacity of recipient districts and intermediate districts.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026

388.1652 Special education programs and services; reimbursement; limitation.

Sec. 52.

Reimbursement for the necessary costs of special education programs and services shall be a portion determined by the amount allocated under section 51a(1), but not to exceed 75% of the total approved costs of operating special education programs and services approved by the department and included or applying for inclusion in the intermediate district plan adopted pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1766, for special education pupils other than those programs funded under section 53a, and of the costs of summer programs and services and the costs of providing room and board for special education pupils, as approved by the department. If the state financed proportion of reimbursement of the necessary costs of a special education activity or service required by article 3 of the revised school code, MCL 380.1701 to 380.1766, which is in addition to or different from the special education activities or services required under sections 611 to 620 of part B of the individuals with disabilities education act, title VI of Public Law 91-230, 20 U.S.C. 1411 to 1420, is less than the state financed proportion of the necessary costs of that activity or service in 1978-79, the portion of the amount appropriated shall be increased to reimburse that activity or service accordingly.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997

388.1653 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to special education programs and services.

***** 388.1653a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1653a.amended *****

388.1653a Special education programs and services; reimbursement of total approved costs; limitation; costs of transportation; allocation.

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 2025-2026 in section 51a(1) under this section.

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History: Add. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff.

Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Former MCL 388.1653a, which pertained to competitive contract bidding process to provide education services to emotionally impaired pupils, was repealed by Act 175 of 1993, Eff. Oct. 1, 1993.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010

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PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."

***** 388.1653a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1653a.amended Special education programs and services; reimbursement of total approved costs; limitation; costs of transportation; allocation.

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 2026-2027 in section 51a(1) under this section.

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History: Add. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;--

Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1653a, which pertained to competitive contract bidding process to provide education services to emotionally impaired pupils, was repealed by Act 175 of 1993, Eff. Oct. 1, 1993.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 299 of 2011 provides:"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

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388.1601 to 388.1772, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."

***** 388.1654 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1654.amended *****

388.1654 Intermediate district to receive amount for pupils attending Michigan Schools for the Deaf and Blind.

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 2025-2026 in section 51a(1) under this section.

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History: Add. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Section 2 of Act 220 of 1987 provides: “In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00.”Section 4 of Act 220 of 1987 provides: “The changes effected by this amendatory act shall be applied retroactively to October 1, 1987.”Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year

2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1654.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1654.amended Intermediate district to receive amount for pupils attending Michigan Schools for the Deaf and Blind.

Sec. 54.

(1) 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 2026-2027 in section 51a(1) under this subsection.

(2) From the state school aid fund money allocated in section 51a(1), there is allocated an amount not to exceed $2,841,400.00 for 2026-2027 for the Michigan Schools for the Deaf and Blind. Notwithstanding section 17b, the department shall make payments under this subsection on a schedule determined by the department.

History: Add. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003,

Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Section 2 of Act 220 of 1987 provides: “In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00.”Section 4 of Act 220 of 1987 provides: “The changes effected by this amendatory act shall be applied retroactively to October 1, 1987.”Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

388.1654a Repealed. 2009, Act 121, Imd. Eff. Oct. 19, 2009.

Compiler's Notes: The repealed section pertained to lending library at central Michigan university.

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***** 388.1654b.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1654b.added Michigan Multi-Tiered System of Supports Technical Assistance Center.

Sec. 54b.

From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $1,600,000.00 for 2026-2027 to expand the implementation of the literacy and social, emotional, and behavioral components of a multi-tiered system of supports, including positive behavioral interventions and supports, using the Michigan Multi-Tiered System of Supports Technical Assistance Center. All of the following apply to funds allocated under this section:

(a) The department shall use funds allocated under this section, through an intermediate district, for the purpose of expanding the statewide expertise, technical assistance, and implementation of the multi-tiered system of supports, dyslexia expertise, and evidence-based instructional practices grounded in the science of reading using the Michigan Multi-Tiered System of Supports Technical Assistance Center. The department shall identify an intermediate district to act as a fiscal agent for funds allocated under this section.

(b) The department shall provide a report each year to the state budget director, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies that details the following:

(i) The progress being made by districts in implementing multi-tiered systems of supports.

(ii) The progress being made by districts in providing reading intervention services described in section 1280f of the revised school code, MCL 380.1280f, for pupils in grades K to 12.

(iii) Other information the department determines would be useful to understand the status of districts' implementation of effective multi-tiered systems of supports and reading intervention programs.

(c) Up to 2% of funds allocated under this section may be used by the intermediate district serving as the fiscal agent for these funds to administer this section.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1654b, which pertained to the expansion of the multitiered system of supports, was repealed by Act 15 of 2025, Imd. Eff. Oct. 7, 2025.

388.1654c Repealed. 2009, Act 121, Imd. Eff. Oct. 19, 2009.

Compiler's Notes: The repealed section pertained to availability of newsline electronically.

***** 388.1654d THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1654d.amended *****

388.1654d Early on services program; grant eligibility; use of funds; distribution and allocation; report.

Sec. 54d.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $23,670,700.00 for 2025-2026 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 of lifelong education, advancement, and potential.

(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 of lifelong education, advancement, and potential.

(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 of lifelong education, advancement, and potential shall distribute the funds allocated under subsection (1) to intermediate districts according to the department of lifelong education, advancement, and potential'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 of lifelong education, advancement, and potential in a form, manner, and frequency prescribed by the department of lifelong education, advancement, and potential 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 of lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department of lifelong education, advancement, and potential.

(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.

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History: Add. 2018, Act 265, Eff. Oct 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1654d.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1654d.amended Early on services program; grant eligibility; use of funds; distribution and allocation; report.

Sec. 54d.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $26,081,900.00 for 2026-2027 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 of lifelong education, advancement, and potential.

(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 of lifelong education, advancement, and potential.

(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 of lifelong education, advancement, and potential shall distribute the funds allocated under subsection (1) to intermediate districts according to the department of lifelong education, advancement, and potential'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 of lifelong education, advancement, and potential in a form, manner, and frequency prescribed by the department of lifelong education, advancement, and potential 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 of lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department of lifelong education, advancement, and potential.

(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.

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History: Add. 2018, Act 265, Eff. Oct 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1654e Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to the training program for evidence-based parent-implemented models of intervention for the treatment of autism.

388.1655 Repealed 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to an allocation to conductive learning center operating in cooperation with Grand Valley State University.

388.1656 Definitions; reimbursement to intermediate districts levying millage for special education; limitation; distribution plan; computation; payments.

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 2025-2026 and $40,008,100.00 for 2026-2027 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 2024-2025 is made in 2025-2026 at an amount per 2024-2025 membership pupil computed by subtracting from $278,700.00 the 2024-2025 taxable value behind each membership pupil and multiplying the resulting difference by the 2024-2025 millage levied, and then subtracting from that amount the 2024-2025 local community stabilization share revenue for special education purposes and 2024-2025 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. For the

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purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in 2025-2026 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.

(4) Except as otherwise provided in this subsection, reimbursement for those millages levied in 2025-2026 is made in 2026-2027 at an amount per 2025-2026 membership pupil computed by subtracting from $294,000.00 the 2025-2026 taxable value behind each membership pupil and multiplying the resulting difference by the 2025-2026 millage levied, and then subtracting from that amount the 2025-2026 local community stabilization share revenue for special education purposes and 2025-2026 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. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in 2026-2027 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 2025-2026 and 2026-2027 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 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 2025-2026 and 2026-2027, 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

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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 2025-2026 and 2026-2027, 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) After making allocations to eligible intermediate districts under subsections (3), (4), and (7), if funds remain unallocated from the allocations under subsections (2) and (7), the department must allocate remaining funds to intermediate districts proportional to the amounts allocated to intermediate districts under subsections (3) and (4).

(9) 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.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2010, Act 217, Imd. Eff. Dec. 3, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 165, Imd. Eff. Sept. 30, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL

205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112 of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 217 of 2010 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 204, and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00.(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 110, and in 2009 PA 121 from state sources for fiscal year 2009-2010 is estimated at $10,645,097,700.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,562,169,000.00."

388.1657 Repealed. 2010, Act 110, Eff. Oct. 1, 2010.

Compiler's Notes: The repealed section pertained to deduction of amount fro total state school aid and agreement by district with department to develop school consolidation plan.

388.1657a Repealed. 2007, Act 6, Imd. Eff. Apr. 30, 2007.

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Compiler's Notes: The repealed section pertained to international baccalaureate diploma program or international baccalaureate middle years program.

388.1658 Special education transportation services; basis; report on certain information.

Sec. 58.

Allocations to districts and intermediate districts under section 51a for providing special education transportation services shall be based on data reported by the districts and intermediate districts for the current school year. 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.

History: Add. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2016, Act 534, Eff. Apr. 9, 2017

388.1661 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to reimbursement for vocational-technical education programs.

***** 388.1661a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1661a.amended *****

388.1661a Career and technical education programs; added cost; inclusion of participation of students in grade 9; administration and reimbursement; eligible participants under section 107.

Sec. 61a.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $41,733,800.00 for 2025-2026 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. 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

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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.

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History: Add. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2016, Act 313, Eff. Oct. 6, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase “and for 2002-2003” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in

this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."For transfer of certain powers and duties vested in the department of career development or its director, relating to powers and duties of state board of education or superintendent of public instruction to the department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.For transfer of powers of department of labor and economic growth regarding career and technical education program for secondary students to department of education by type II transfer, see E.R.O. No. 2007-1, compiled at MCL 388.998.Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Subsection (3), as amended by Act 121 of 2009, was vetoed by the governor on October 19, 2009.Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Subsection (4), as amended by Act 58 of 2019, was vetoed by the governor on September 30, 2019.

***** 388.1661a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1661a.amended Career and technical education programs; added cost; inclusion of participation of students in grade 9; administration and reimbursement; eligible participants under section 107.

Sec. 61a.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $45,985,000.00 for 2026-2027 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. 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.

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History: Add. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2016, Act 313, Eff. Oct. 6, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase “and for 2002-2003” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963,

total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."For transfer of certain powers and duties vested in the department of career development or its director, relating to powers and duties of state board of education or superintendent of public instruction to the department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.For transfer of powers of department of labor and economic growth regarding career and technical education program for secondary students to department of education by type II transfer, see E.R.O. No. 2007-1, compiled at MCL 388.998.Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Subsection (3), as amended by Act 121 of 2009, was vetoed by the governor on October 19, 2009.Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Subsection (4), as amended by Act 58 of 2019, was vetoed by the governor on September 30, 2019.

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***** 388.1661b THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1661b.amended *****

388.1661b CTE early middle college and career and technical education dual enrollment programs; report by local education agency; career and educational advisory council; regional strategic plan; distribution of funds; definitions.

Sec. 61b.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2025-2026 an amount not to exceed $8,368,000.00 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 degree.

(ii) 60 transferable 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.

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(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) 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

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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 2025-2026 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, using for that proration calculation payments made for CTE dual enrollment programs only.

(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 advisory 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.

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History: Add. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff.

Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.In subsection (1), as amended by Act 58 of 2019, the following phrase "and, for 2019-2020 only, an amount not to exceed $2,000,000.00 from the talent investment fund appropriation" was vetoed by the governor on September 30, 2019.In subsection (8), as amended by Act 58 of 2019, the following phrase "and, for 2019-2020 only, an amount not to exceed $2,000,000.00 from the talent investment fund allocation" was vetoed by the governor on September 30, 2019.

***** 388.1661b.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1661b.amended CTE early middle college and career and technical education dual enrollment programs; report by local education agency; career and educational advisory council; regional strategic plan; distribution of funds; definitions.

Sec. 61b.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2026-2027 an amount not to exceed $9,220,400.00 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.

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(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 degree.

(ii) 60 transferable 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

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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) 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 2026-2027 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, including, but not limited to, work-based learning programs. 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.

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(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, using for that proration calculation payments made for CTE dual enrollment programs only.

(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 advisory 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.

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History: Add. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.In subsection (1), as amended by Act 58 of 2019, the following phrase "and, for 2019-2020 only, an amount not to exceed $2,000,000.00 from the talent investment fund appropriation" was vetoed by the governor on September 30, 2019.In subsection (8), as amended by Act 58 of 2019, the following phrase "and, for 2019-2020 only, an amount not to exceed $2,000,000.00 from the talent investment fund allocation" was vetoed by the governor on September 30, 2019.

388.1661c Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to eligible career education planning districts (CEPDs) for equipment upgrades for CTE programs and skilled trades initiative.

388.1661d Repealed 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to career and technical education incentive programs.

388.1661e Repealed. 2018, Act 265, Eff. Oct. 1, 2018.

Compiler's Notes: The repealed section pertained to regional career and technical education planning.

388.1661f Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to the innovative retention and completion program.

388.1661g Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to payments to certain districts for career and technical education programming and services.

388.1661h Repealed. 2019, Act 58, Eff. Oct. 1, 2019.

Compiler's Notes: The repealed section pertained to funding for a statewide virtual reality training initiative.

388.1661i Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the recruitment and retention of career and technical education teachers.

388.1661j Huron School District; Downriver Career and Technical Education Consortium.

Sec. 61j.

(1) From the state school aid fund money appropriated in section 11, $5,000,000.00 is allocated for 2024-2025 only to Huron School District to support the Downriver Career and Technical Education Consortium.

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

(3) The funds allocated in this section are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue support for the Downriver Career and Technical Education Consortium. The estimated completion date of the work project is September 30, 2026.

(4) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2027. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2028.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1661k Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

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Compiler's Notes: The repealed section pertained to Mott Community College; bilingual early childhood education center.

388.1661l Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Schoolcraft College early middle college program.

388.1661m Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Beecher Community School District for new high school.

388.1661n Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Waverly Community Schools for high school auditorium.

388.1661o Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Coleman A. Young Elementary School for renovations and essential structural improvements.

388.1661p Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to a qualifying community district for foreign language immersion and cultural studies school.

388.1661q Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Ingham Intermediate District for Michigan Joint Training Innovation Center.

388.1661r Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Lansing Public School District for Hill Center track.

388.1661s Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to allocation to Eaton RESA to support FFA.

388.1661t Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

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Compiler's Notes: The repealed section pertained to Harper Woods school district for career technical education center.

388.1661u Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Romulus Community Schools for career technical education center.

388.1661v Expansion of access to career and technical education programs and pathways; grant program.

Sec. 61v.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed $70,000,000.00 for the purposes of this section. Funds allocated under this section are intended to expand student access to, and enrollment in, career and technical education programs.

(2) From the state school aid fund money allocated in subsection (1), $68,500,000.00 must be used for a grant program to districts. To be eligible to receive funding under this subsection, a district must be in a CTE desert or must demonstrate to the satisfaction of the department that the district has a career and technical education opportunity gap.

(3) Eligible districts shall apply on a competitive basis for funding under subsection (2) in a form and manner determined by the department. All of the following apply to applications for funding provided under subsection (2):

(a) Applicants must provide a comprehensive local needs assessment, a statement of commitment, including a district capacity and a sustainability plan, a strategy to address the needs of students, and an appropriate and aligned budget.

(b) Applicants must demonstrate the ability to continue programs started with funding under this subsection in an ongoing manner after funding received under this section is no longer available.

(c) Applications must be scored on a tiered rating system with criteria that considers at least all of the following:

(i) Local match committed to by the applicant, such as philanthropic, business, and industry contributions, and vocational education millage revenue.

(ii) The magnitude to which the applicant demonstrates that the applicant has an opportunity gap or is in a designated CTE desert.

(iii) Labor market demand for proposed programs.

(iv) Feasibility of planned implementation and evaluation plans.

(4) All of the following apply to awards received by eligible districts under subsection (2):

(a) Awards received under subsection (2) must be used to create and sustain career and technical education programs aligned with high-skill, high-wage, and high-demand occupations across career clusters aligned with local and regional labor market needs. Career and technical education programs described in this subdivision must be aligned with state career and technical education standards, must integrate stackable credentials, must create a program of study guided by a program advisory committee, and must maintain all requirements of a state-approved program. Career and technical education programs described in this subdivision may include the use of multimodal learning and immersive technologies, including virtual reality simulations, that expand access to core state-standards-aligned

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concepts and skills for grades 6 to 12 in math and science, including students with lower performing algebra 1 scores, or the use of programs that expand access to high-skill, high-wage and high-demand career exploration and training, particularly in CTE deserts with limited physical infrastructure.

(b) If funds received under subsection (2) are used for a middle school career and technical education program, as determined by the department, the recipient district must demonstrate how the program will do all of the following:

(i) Align academic content with practical career skills.

(ii) Integrate the flexibilities of the Michigan merit curriculum in a program of study from middle school through postsecondary education.

(iii) Allow students to earn high school academic and career and technical education credits.

(iv) Enable a more seamless transition into high school career and technical education pathways.

(v) Use the Educational Development Plan and the Michigan Career Development Model to provide career and college readiness activities for middle school students.

(c) Awards under subsection (2) must be received over a 3-year period.

(d) Districts may use the first year of funding received under subsection (2) for program startup costs, including developing and designing programs of study, creating and furnishing labs for technical skill training, hiring qualified staff, or other eligible purposes as determined by the department.

(e) Funding amounts provided in the second and third year under subsection (2) must scale down from levels received in the first year. Districts must increase local financial commitments to sustain the programs described in this subsection.

(5) From the funds allocated in subsection (1), there is allocated for 2025-2026 only an amount not to exceed $1,500,000.00 to implement a statewide campaign to educate the public on the importance and economic viability of jobs created through career and technical education pathways. Statewide campaigns described in this subsection are intended to ensure full enrollment in newly created programs by engaging as many students as possible. Both of the following apply to funding allocated under this subsection:

(a) Funding allocated under this subsection must be awarded by the department, in a form and manner determined by the department, to an intermediate district or consortia of intermediate districts.

(b) The recipient receiving funding under this subsection must use those funds for a statewide public awareness campaign to promote the value of career and technical education to students, educators, parents, business, and industry by showcasing student participants, how career and technical education aligns with college and career readiness, and how it meets local economic needs. The campaign must foster student, community, and parental understanding of the benefits of career and technical education and encourage broader participation.

(6) The funds allocated in this section are a work project appropriation, and any unexpended funds for 2025-2026 are carried forward into 2026-2027. The purpose of the work project is to create new career and technical education programs and expand access to programming for more students. The estimated completion date of the work project is September 30, 2030.

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

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

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***** 388.1661w.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1661w.added CTE digital career exploration programs; virtual reality simulation programs.

Sec. 61w.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $2,900,000.00 for competitive grants to districts and intermediate districts to support digital career exploration programs and virtual reality simulation programs that enhance and expand existing career and technical education programs.

(2) Districts and intermediate districts shall apply for funds under this section on a competitive basis in a form and manner determined by the department.

(3) A virtual reality simulation program described in this section must offer software, hardware, or both that provides immersive career exploration and workforce development programming for students.

(4) Fifty percent of the funds allocated under this section must be awarded to districts and intermediate districts to purchase software, hardware, or related technology platforms. The remaining 50% of the funds must be awarded to districts and intermediate districts to partner with businesses or nonprofit organizations that provide mobile virtual reality career exploration services, including providers capable of delivering software and hardware with immersive career experiences directly to schools.

(5) Awards received under this section must be used to support career and technical education programs aligned with high-skill, high-wage, and high-demand occupations across career clusters aligned with local and market needs. A recipient may use an award under this section to support virtual reality simulation programs that reach multiple career clusters or career exploration opportunities.

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

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026

388.1662 Definitions; vocational-technical education program; reimbursement for millages; limitation; payments.

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 state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $9,190,000.00 each fiscal year for 2024-2025 and 2025-2026 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 2024-2025 is made in 2025-2026 at an amount per 2024-2025 membership pupil computed by subtracting from $288,300.00 the 2024-2025 taxable value behind each membership pupil and multiplying the resulting difference by the 2024-2025 millage levied, and then subtracting from that amount the 2024-2025 local community stabilization share revenue for area vocational technical education and 2024-2025 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. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 56, reimbursements paid under section 26d must be multiplied by the ratio of vocational-technical education millage levied, as defined in this section, and the sum of vocational-technical education millage levied and special education millage levied, as defined in section 56.

(4) Reimbursement for those millages levied in 2025-2026 is made in 2026-2027 at an amount per 2025-2026 membership pupil computed by subtracting from $302,800.00 the 2025-2026 taxable value behind each membership pupil and multiplying the resulting

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difference by the 2025-2026 millage levied, and then subtracting from that amount the 2025-2026 local community stabilization share revenue for area vocational technical education and 2025-2026 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. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 56, reimbursements paid under section 26d must be multiplied by the ratio of vocational-technical education millage levied, as defined in this section, and the sum of vocational-technical education millage levied and special education millage levied, as defined in section 56.

(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.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Imd. Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2011, Act 299, Imd. Eff. Dec. 22, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Imd. Eff. June 27, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 165, Imd. Eff. Sept. 30, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

Compiler's Notes: In the first sentence of subsection (2), as amended by Act 121 of 2001, the phrase “and an amount not to exceed $11,330,000.00 for 2002-2003” was vetoed by the governor September 28, 2001.In the first sentence of subsection (4), as amended by Act 121 of 2001, the phrase “and an amount not to exceed $1,470,000.00 for 2002-2003” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per

cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112 of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 299 of 2011 provides:"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, in this amendatory act, in 2010 PA 110, in 2010 PA 204, in 2010 PA 205, in 2010 PA 217, and in 2011 PA 62 from state sources for fiscal year 2010-2011 is estimated at $10,803,402,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,701,332.600.00."

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388.1663 Repealed. 2017, Act 108, Eff. Oct. 1, 2017.

Compiler's Notes: The repealed section pertained to participation of intermediate district with local health department in joint capital project.

388.1664 Repealed. 2011, Act 62, Eff. Oct. 1, 2011.

Compiler's Notes: The repealed section pertained to middle college focused on health sciences.

388.1664a Repealed. 2014, Act 196, Eff. Oct. 1, 2014.

Compiler's Notes: The repealed section pertained to statewide transfer or articulation agreements.

388.1664b Repealed. 2019, Act 58, Eff. Oct. 1, 2019.

Compiler's Notes: The repealed section pertained to supplemental payments to districts supporting attendance of district pupils under the postsecondary enrollment options act or the career and technical preparation act.

388.1664c Repealed. 2015, Act 85, Eff. Oct. 1, 2015.

Compiler's Notes: The repealed section pertained to report analyzing state's current career readiness education system.

388.1664d Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to the information technology education opportunities grant program.

***** 388.1665 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1665.amended *****

388.1665 Pre-college engineering K to 12 educational program; eligibility.

Sec. 65.

(1) From the state school aid pupil support reserve fund money appropriated in section 11, there is allocated an amount not to exceed $900,000.00 for 2025-2026 only for a pre-college engineering K to 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 the appropriation under this section will be funded with state school aid pupil support reserve fund money through 2027-2028.

(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.

History: Add. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: Former MCL 388.1665, which pertained to precollege programs in engineering and sciences, was repealed by Act 62 of 2011, Eff. Oct. 1, 2011.

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***** 388.1665.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1665.amended Pre-college engineering K to 12 educational program; eligibility.

Sec. 65.

(1) From the state school aid pupil support reserve fund money appropriated in section 11, there is allocated an amount not to exceed $900,000.00 for 2026-2027 only for a pre-college engineering K to 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 the appropriation under this section will be funded with state school aid pupil support reserve fund money through 2027-2028.

(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.

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History: Add. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1665, which pertained to precollege programs in engineering and sciences, was repealed by Act 62 of 2011, Eff. Oct. 1, 2011.

388.1666 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to job training and development programs.

***** 388.1667 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1667.amended *****

388.1667 College access programs; allocation, use, and administration of funds; "college" defined.

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 2025-2026 for college access programs. The programs funded under this section are intended to inform students of college and career options, 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, support adult learners, support college completion, and support workforce and employer engagement. 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 lifelong education, advancement, and potential 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 lifelong education, advancement, and potential.

(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.

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History: Add. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Former MCL 388.1667, which pertained to Michigan career preparation system grants, was repealed by Act 158 of 2003, Eff. Oct. 1, 2003.

***** 388.1667.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1667.amended College access programs; allocation, use, and administration of funds; "college" defined.

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 2026-2027 for college access programs. The programs funded under this section are intended to inform students of college and career options, 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, support adult learners,

support college completion, and support workforce and employer engagement. 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 lifelong education, advancement, and potential 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 lifelong education, advancement, and potential.

(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.

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History: Add. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1667, which pertained to Michigan career preparation system grants, was repealed by Act 158 of 2003, Eff. Oct. 1, 2003.

388.1667a Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to a grant for industrial and technological education and workforce preparation for students and professional development opportunities for teachers.

388.1667b Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to SME Education Foundation's Partnership Response Initiative for engineering and manufacturing programs.

388.1667c Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to developer academy at Michigan State University.

***** 388.1667d.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1667d.added Hospitality and tourism CTE programs.

Sec. 67d.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $900,000.00 to districts and intermediate districts to partner with nonprofit organizations for the provision of hospitality and tourism CTE programs.

(2) Districts and intermediate districts shall apply for funding under this section in a form and manner determined by the department.

(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, "hospitality and tourism CTE programs" means career and technical education programs that teach or train students in restaurant management, culinary arts or hospitality, and tourism management as part of career and professional development.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1667d, which pertained to grants for ProStart or Hospitality Tourism Management programs, was repealed by Act 15 of 2025, Imd. Eff. Oct. 7, 2025.

388.1667e Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the skilled-trades-for-students awareness program.

***** 388.1667f THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1667f.amended *****

388.1667f Free application for federal student aid (FAFSA) form; improvement of completion rates; student exemption.

Sec. 67f.

(1) From the state school aid pupil support reserve fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed $10,000,000.00 for districts to improve FAFSA completion rates. It is the intent of the legislature that the appropriation under this section will be funded with state school aid pupil support reserve fund money through 2027-2028.

(2) To be eligible to receive funding under this section, each district must apply in a form and manner determined by the department of lifelong education, advancement, and potential.

The department of lifelong education, advancement, and potential shall make the application available by not later than November 1, 2025. A district shall apply for funding to the department of lifelong education, advancement, and potential by not later than December 1, 2025. In the application, the department of lifelong education, advancement, and potential shall only require a district to certify that it will do both of the following:

(a) Except as otherwise provided in subsection (3), require all students to complete the FAFSA to graduate from high school.

(b) Use funds received under this section for participation in and implementation of activities that are known to drive FAFSA completion, as determined by the department of lifelong education, advancement, and potential, in collaboration with the Michigan College Access Network.

(3) A district shall exempt a student from the requirement to complete the FAFSA if any of the following are met:

(a) The student's parent or legal guardian, or the student if the student is 18 years of age or older, is an emancipated minor, or is an unaccompanied youth, has submitted a parental waiver to the district exempting the student from completing the FAFSA. The parental waiver described in this subdivision must be obtained through a standard form developed by the department of lifelong education, advancement, and potential.

(b) The student is unable to complete the FAFSA because of privacy concerns.

(c) All of the following are met:

(i) After a good-faith effort, the student's parent or legal guardian refuses to sign the parental waiver, is unresponsive, or cannot sign the parental waiver.

(ii) The student is unable to complete the FAFSA as an independent student.

(iii) The student agrees to opt out of completing the FAFSA.

(iv) Other than the requirements in subsection (2), the student is on track to graduate.

(v) A school administrator of the student's high school demonstrates to the board that good-faith efforts have been made to assist the student or the student's parent or legal guardian in completing the FAFSA or obtaining a parental waiver.

(vi) The board ensures compliance with 42 USC 11432(g)(6)(A).

(4) By not later than January 31, 2026, the department of lifelong education, advancement, and potential shall pay each eligible district an equal amount per pupil multiplied by the number of pupils enrolled and attending grade 12 in the district.

(5) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department of lifelong education, advancement, and potential.

(6) As used in the section, "FAFSA" means the free application for federal student aid form.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1667f.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1667f.amended Free application for federal student aid (FAFSA) form; improvement of completion rates; student exemption.

Sec. 67f.

(1) From the state school aid pupil support reserve fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $10,000,000.00 for districts to improve FAFSA completion rates. It is the intent of the legislature that the appropriation under this section will be funded with state school aid pupil support reserve fund money through 2027-2028.

(2) To be eligible to receive funding under this section, each district must apply in a form and manner determined by the department of lifelong education, advancement, and potential. In the application, the department of lifelong education, advancement, and potential shall only require a district to certify that it will do both of the following:

(a) Except as otherwise provided in subsection (3), require all students to complete the FAFSA to graduate from high school.

(b) Use funds received under this section for participation in and implementation of activities that are known to drive FAFSA completion, as determined by the department of lifelong education, advancement, and potential, in collaboration with the Michigan College Access Network.

(3) A district shall exempt a student from the requirement to complete the FAFSA if any of the following are met:

(a) The student's parent or legal guardian, or the student if the student is 18 years of age or older, is an emancipated minor, or is an unaccompanied youth, has submitted a parental waiver to the district exempting the student from completing the FAFSA. The parental waiver described in this subdivision must be obtained through a standard form developed by the department of lifelong education, advancement, and potential.

(b) The student is unable to complete the FAFSA because of privacy concerns.

(c) All of the following are met:

(i) After a good-faith effort, the student's parent or legal guardian refuses to sign the parental waiver, is unresponsive, or cannot sign the parental waiver.

(ii) The student is unable to complete the FAFSA as an independent student.

(iii) The student agrees to opt out of completing the FAFSA.

(iv) Other than the requirements in subsection (2), the student is on track to graduate.

(v) A school administrator of the student's high school demonstrates to the board that good-faith efforts have been made to assist the student or the student's parent or legal guardian in completing the FAFSA or obtaining a parental waiver.

(vi) The board ensures compliance with 42 USC 11432(g)(6)(A).

(4) The department of lifelong education, advancement, and potential may use past participation in the FAFSA Completion Challenge under this section as a factor in determining district eligibility.

(5) The department of lifelong education, advancement, and potential shall pay each eligible district an equal amount per pupil multiplied by the number of pupils enrolled and attending grade 12 in the district. Initial payments must be made by not later than January 31, 2027.

(6) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department of lifelong education, advancement, and potential.

(7) As used in this section, "FAFSA" means the free application for federal student aid form.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

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388.1667g Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to online early childhood family engagement platform.

388.1668 Repealed. 2004, Act 351, Eff. Oct. 1, 2004.

Compiler's Notes: The repealed section pertained to Michigan career preparation system.

388.1671, 388.1672 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to transportation services funding and aid.

388.1673 Repealed. 1986, Act 212, Eff. Oct. 1, 1986.

Compiler's Notes: The repealed section pertained to transportation programs and procurement of school buses.

***** 388.1674 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1674.amended *****

388.1674 Payments to colleges or universities and intermediate districts; school bus driver safety instruction; cost of instruction and driver compensation; nonspecial education auxiliary services transportation; inspection costs.

Sec. 74.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $3,949,900.00 for 2025-2026 for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated for 2025-2026 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 2025-2026 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 $1,924,900.00 for 2025-2026 for 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

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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 detailed on the statement within 45 days after receipt of the statement. The designated intermediate district fiduciary 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.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2011, Act 62, Imd. Eff. June 21, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: In his veto message relative to Enrolled House Bill 4572, which became Act 118 of 1991, the governor stated that "the tradition of not re-enacting annually the unchanged appropriation sections of the school aid act is constitutionally flawed. It assumes the invalid creation of a continuing appropriation. Therefore, the following sections of the school aid act and their associated allocations must be considered inoperative: 24, 55, 74, 75, 105a, 111, and 116. These sections will be treated as excluded from the current bill... ."In subsection (1), as amended by Act 121 of 2001, the phrase "and for 2002-2003" was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution

of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 130 of 2013 provides:"Enacting section 1. This amendatory act takes effect October 1, 2013."

***** 388.1674.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1674.amended Payments to colleges or universities and intermediate districts; school bus driver safety instruction; cost of instruction and driver compensation; nonspecial education auxiliary services transportation; inspection costs

Sec. 74.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $4,753,100.00 for 2026-2027 for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated for 2026-2027 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 2026-2027 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 $1,978,100.00 for 2026-2027 for 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 and submit it to the department and to an intermediate district serving as fiduciary in a time

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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 detailed on the statement within 45 days after receipt of the statement. The designated intermediate district fiduciary 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.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2011, Act 62, Imd. Eff. June 21, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: In his veto message relative to Enrolled House Bill 4572, which became Act 118 of 1991, the governor stated that "the tradition of not re-enacting annually the unchanged appropriation sections of the school aid act is constitutionally flawed. It assumes the invalid creation of a continuing appropriation. Therefore, the following sections of the school aid act and their associated allocations must be considered inoperative: 24, 55, 74, 75, 105a, 111, and 116. These sections will be treated as excluded from the current bill... ."In subsection (1), as amended by Act 121 of 2001, the phrase "and for 2002-2003" was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is

estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 130 of 2013 provides:"Enacting section 1. This amendatory act takes effect October 1, 2013."

388.1674a Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to the statewide school bus driver safety program.

388.1674b Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to clean school bus grant program and clean fleet initiative.

388.1675 Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to nonspecial education auxiliary services transportation.

388.1676 Funding for transporting nonpublic school students.

Sec. 76.

If a district received money in 1993-94 attributable to nonspecial education transportation under former section 71 and that money was included in calculating the district's combined state and local revenue per membership pupil in 1993-94 under section 20(21), as that section was in effect for 1994-95, then the district shall use funding as calculated under section 20 as the funding for transporting nonpublic school students as required under section 1321 of the revised school code, MCL 380.1321.

History: Add. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007
Compiler's Notes: Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."

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388.1677 Transportation costs for nonresident pupils.

Sec. 77.

(1) If a district is educating all of the high school pupils who are counted in membership in another district pursuant to an agreement between the 2 districts and if the educating district provides transportation for its own resident high school pupils, the educating district shall use state school aid under this article to provide transportation to and from school for normal curricular activities for those high school pupils who reside in the other district.

(2) Subsection (1) does not require the educating district to provide transportation for a nonresident pupil for any extracurricular or athletic activity in which the pupil participates.

History: Add. 2015, Act 85, Eff. Oct. 1, 2015

***** 388.1681 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1681.amended *****

388.1681 Allocations to intermediate districts; amounts; expanded professional development opportunities for teachers; consolidated, annexed, or attached districts; duties of intermediate district.

Sec. 81.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 to intermediate districts the sum necessary, but not to exceed $83,157,700.00, to provide state aid to intermediate districts under this section.

(2) The amount allocated under this section to each intermediate school district for the current fiscal year is equal to the allocation for the immediately preceding fiscal year plus an equal percentage increase for all intermediate school districts. 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 to 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) 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

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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) Ensure that all districts located within the intermediate district's 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 in the intermediate district. In ensuring that all districts located within the geographic boundaries of the intermediate district have equitable access to the services, meetings, programming, events, email distribution lists, listservs, or activities, the intermediate district shall ensure that districts that are public school academies and that are located within the intermediate district's geographic boundaries are not excluded from the services, meetings, programming, events, email distribution lists, listservs, or activities organized by or hosted in the intermediate district if districts that are not public school academies and that are located within the geographic boundaries of the intermediate district are not excluded.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1981, Act 113, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Mar. 15, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Imd. Eff. June 13, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Subsection (3) of Sec. 81, as amended by Act 128 of 1987, was vetoed by the governor on July 24, 1987.Sec. 81, as amended by Act 212 of 1986, did not have a subsection (3).Section 2 of Act 220 of 1987 provides: “In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00.”Section 4 of Act 220 of

1987 provides: “The changes effected by this amendatory act shall be applied retroactively to October 1, 1987.”Subsection (3) of Sec. 81, as amended by Act 118 of 1991, was vetoed by the governor on October 11, 1991. Subsection (3) of Sec. 81, as amended by Act 207 of 1990, is set forth in the text of Sec. 81 above.In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrases “and for 2002-2003” and “and not to exceed $95,028,100.00 for 2002-2003” were vetoed by the governor September 28, 2001.The fourth sentence of subsection (1), as amended by Act 121 of 2001, and which read “Except as otherwise provided in this section, there shall be allocated to each intermediate district for 2002-2003 an amount equal to 103.1% of the amount of funding actually received by the intermediate district under this subsection for 2001-2002.”, was vetoed by the governor September 28, 2001.In the second sentence of subsection (3), as amended by Act 121 of 2001, the phrase “and for 2002-2003” was vetoed by the governor September 28, 2001.In the first sentence of subsection (5), as amended by Act 121 of 2001, the phrase “and an amount not to exceed $940,000.00 for 2002-2003” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."

***** 388.1681.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1681.amended Allocations to intermediate districts; amounts; expanded professional development opportunities for teachers; consolidated, annexed, or attached districts; duties of intermediate district.

Sec. 81.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 to intermediate districts the sum necessary, but not to exceed $85,236,600.00, to provide state aid to intermediate districts under this section.

(2) The amount allocated under this section to each intermediate school district for the current fiscal year is equal to the allocation for the immediately preceding fiscal year plus an equal percentage increase for all intermediate school districts. 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 to 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) 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) Ensure that all districts located within the intermediate district's 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 in the intermediate district. In ensuring that all districts located within the geographic boundaries of the intermediate district have equitable access to the services, meetings, programming, events, email distribution lists, listservs, or activities, the

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intermediate district shall ensure that districts that are public school academies and that are located within the intermediate district's geographic boundaries are not excluded from the services, meetings, programming, events, email distribution lists, listservs, or activities organized by or hosted in the intermediate district if districts that are not public school academies and that are located within the geographic boundaries of the intermediate district are not excluded.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1981, Act 113, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Mar. 15, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Imd. Eff. June 13, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Subsection (3) of Sec. 81, as amended by Act 128 of 1987, was vetoed by the governor on July 24, 1987.Sec. 81, as amended by Act 212 of 1986, did not have a subsection (3).Section 2 of Act 220 of 1987 provides: “In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00.”Section 4 of Act 220 of 1987 provides: “The changes effected by this amendatory act shall be applied retroactively to October 1, 1987.”Subsection (3) of Sec. 81, as amended by Act 118 of 1991, was vetoed by the governor on October 11, 1991. Subsection (3) of Sec. 81, as amended by Act 207 of 1990, is set forth in the text of Sec. 81 above.In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrases “and for 2002-2003” and “and not to exceed $95,028,100.00 for 2002-2003” were vetoed by the governor September 28, 2001.The fourth sentence of subsection (1), as amended by Act 121 of 2001, and which read “Except as otherwise provided in this section, there shall be allocated to each intermediate district for 2002-2003 an amount equal to 103.1% of the amount of funding actually received by the intermediate district under this subsection for 2001-2002.”, was vetoed by the governor September 28, 2001.In the second sentence of subsection (3), as amended by Act 121 of 2001, the phrase “and for 2002-2003” was vetoed by the governor September 28, 2001.In the first sentence of subsection (5), as amended by Act 121 of 2001, the phrase “and an amount not to exceed $940,000.00 for 2002-2003” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack

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of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."

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388.1681a Repealed. 1988, Act 318, Eff. Oct. 1, 1988.

Compiler's Notes: The repealed section pertained to reduction of allocations.

388.1682 Repealed. 2014, Act 196, Eff. Oct. 1, 2014.

Compiler's Notes: The repealed section pertained to model intervening program for grades K to 3.

388.1683 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to educational media centers.

388.1684 Repealed. 1991, Act 118, Imd. Eff. Oct. 11, 1991.

Compiler's Notes: The repealed section pertained to instructional services to homebound or hospitalized pupils.

388.1685 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to allocations for intermediate school districts.

388.1686 Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to regular nonspecial education educational programs in residential child care institutions for court placed pupils.

388.1690 Repealed. 1992, Act 148, Eff. Oct. 1, 1992.

Compiler's Notes: The repealed section pertained to allocations for innovative and diversified educational programs and for pilot school-level building program.

388.1691 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to long-range school improvement plans, annual education report, and core curriculum.

388.1691a Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to the cessation of a pilot intermediate district schools of choice program.

388.1691b Repealed. 2000, Act 297, Eff. Oct. 1, 2000.

Compiler's Notes: The repealed section pertained to enrollment of nonresident pupil in district.

388.1691c Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to the eligibility of a transfer student to participate in interscholastic athletic competition.

388.1692 Repealed. 2011, Act 62, Eff. Oct. 1, 2011.

Compiler's Notes: The repealed section pertained to allocation to Saginaw Valley state university.

388.1692a Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

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Compiler's Notes: The repealed section pertained to basic skills development program.

388.1693 Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: Former MCL 388.1693, which pertained to alternative education programs for school-age expectant parents and school-age parents and their children, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.The repealed section pertained to allocation to library of Michigan to support Michigan electronic library in public schools and public libraries.

***** 388.1694 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1694.amended *****

388.1694 Advanced placement and international baccalaureate programs; college-level examination program (CLEP); requirements.

Sec. 94.

(1) From the general fund money appropriated in section 11, there is allocated to the department for 2025-2026 an amount not to exceed $2,600,000.00 for efforts to increase the number of pupils who participate and succeed in advanced placement and international baccalaureate programs, and to support the college-level examination program (CLEP). It is the intent of the legislature that, for 2026-2027, the allocation from the general fund money appropriated in section 11 for purposes described in this section will be $1,200,000.00.

(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 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.

(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) If funds remain after the awards granted in subsection (2), the department shall award funds to reimburse a portion of the costs associated with the provision of advanced placement (AP), international baccalaureate (IB), or college-level examination program (CLEP) exams for students whose family income exceeds low-income status as determined by the department.

(5) The department shall establish procedures for awarding funds under this section.

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

History: Add. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1,

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2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Former MCL 388.1694, which pertained to technical assistance to districts for school accreditation purposes, was repealed by Act 158 of 2003, Eff. Oct. 1, 2003.

***** 388.1694.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1694.amended Advanced placement and international baccalaureate programs; college-level examination program (CLEP); requirements.

Sec. 94.

(1) From the general fund money appropriated in section 11, there is allocated to the department for 2026-2027 an amount not to exceed $1,200,000.00 and from the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $1,600,000.00 to an intermediate district identified by the department for efforts to increase the number of pupils who participate and succeed in advanced placement and international baccalaureate programs, and to support the college-level examination program (CLEP). The department must maintain administrative oversight of the billing and reimbursement process.

(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 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.

(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) If funds remain after the awards granted in subsection (2), the department shall award funds to reimburse a portion of the costs associated with the provision of advanced placement (AP), international baccalaureate (IB), or college-level examination program (CLEP) exams for students whose family income exceeds low-income status as determined by the department.

(5) The department shall establish procedures for awarding funds under this section.

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

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History: Add. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1,

2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1694, which pertained to technical assistance to districts for school accreditation purposes, was repealed by Act 158 of 2003, Eff. Oct. 1, 2003.

***** 388.1694a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1694a.amended *****

388.1694a Center for educational performance and information; creation; duties.

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 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.

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(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. Any reports or data access related specifically to tribal affiliation must be done through ongoing consultation with the federally recognized tribes in the state with the expectation that the center, the department, and the tribes will work iteratively toward meaningful reports, access, and use of these records to improve shared education interests and outcomes.

(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 $19,364,700.00 for 2025-2026 to the department of technology, management, and budget to support the operations of the center. In addition, from the federal funds

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appropriated in section 11, there is allocated for 2025-2026 the amount necessary, estimated at $2,193,500.00, 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 2025-2026 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 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 States Department of Education Office of Elementary and Secondary Education.

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History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 180, Imd. Eff. Oct. 3, 2003 ;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2009, Act 203, Imd. Eff. Jan. 4, 2010 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: In subsection (1), as amended by Act 121 of 2001, the phrase “and an amount not to exceed $2,519,000.00 for 2002-2003” was vetoed by the governor September 28, 2001.For transfer of powers, duties, functions, and responsibilities of the database for educational performance and information to the center for educational performance and information by type II transfer, see E.R.O. No. 2000-6, compiled at MCL 388.996 of the Michigan compiled laws.Enacting section 3 of Act 521 of 2002

provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Sec. 94a, as amended by Act 158 of 2003, was vetoed by the governor on August 11, 2003.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."For transfer of a position on the center for educational performance and information advisory committee designated for a representative of the department of career development to the director of the department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."

***** 388.1694a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1694a.amended Center for educational performance and information; creation; duties.

Sec. 94a.

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(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 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.

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(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. Any reports or data access related specifically to tribal affiliation must be done through ongoing consultation with the federally recognized tribes in the state with the expectation that the center, the department, and the tribes will work iteratively toward meaningful reports, access, and use of these records to improve shared education interests and outcomes.

(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 $19,548,500.00 for 2026-2027 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 2026-2027 the amount necessary, estimated at $100.00 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 2026-2027 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.

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(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 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 States Department of Education Office of Elementary and Secondary Education.

(10) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 an amount not to exceed $500,000.00 for payments on behalf of districts for costs associated with e-transcript services for high schools and pupils.

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History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 180, Imd. Eff. Oct. 3, 2003 ;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 73, Imd. Eff. July 9, 2009 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2009, Act 203, Imd. Eff. Jan. 4, 2010 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: In subsection (1), as amended by Act 121 of 2001, the phrase “and an amount not to exceed $2,519,000.00 for 2002-2003” was vetoed by the governor September 28, 2001.For transfer of powers, duties, functions, and responsibilities of the database for educational performance and information to the center for educational performance and information by type II transfer, see E.R.O. No. 2000-6, compiled at MCL 388.996 of the Michigan compiled laws.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Sec. 94a, as amended by Act 158 of 2003, was vetoed by the governor on August 11, 2003.Enacting section 1 of Act 351 of 2004 provides:“Enacting

section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."For transfer of a position on the center for educational performance and information advisory committee designated for a representative of the department of career development to the director of the department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 73 of 2009 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2008 PA 268 from state sources for fiscal year 2008-2009 is estimated at $11,097,798,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $10,890,765,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."

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388.1694b Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to a connecting information in education committee.

388.1694c Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to an analysis and report on the streamlining of data required to be reported by districts and intermediate districts.

388.1694d Task force for the attraction, preparation, and retention of qualified personnel for children with disabilities.

Sec. 94d.

(1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed $1,000,000.00 for 2024-2025 only for the purposes of this section.

(2) Funds under this section must be used to create and support a task force that will develop a comprehensive multiyear plan to attract, prepare, and retain qualified personnel for children with disabilities. The task force described in this subsection shall provide all of the following:

(a) An identification of the barriers to attracting and training qualified personnel to work with children with disabilities.

(b) An analysis of current educator preparation processes, including the degree to which the preparation processes meet the needs of special education students and whether the preparation processes could be streamlined to increase the number of qualified personnel entering the field of special education.

(c) An analysis of attrition rates for qualified personnel leaving the field of special education and recommendations for ways that this state or districts could better retain talent.

(d) An analysis of this state's licensing requirements and whether the licensing requirements could be streamlined to increase the number of qualified personnel entering the field of special education.

(e) Policy changes that should be enacted into law to address the barriers identified in this subsection, with specific changes to applicable state laws or applicable state rules.

(3) The task force described in subsection (2) must include representation from all special education stakeholder communities, including, but not limited to, teachers, school administrators, parents of special education students, students, educator preparation programs, the department, the legislative branch, the executive branch, the business community, and special education advocacy groups.

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

(5) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue to support the task force described in subsection (2). The estimated completion date of the work project is September 30, 2027.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024
Compiler's Notes: Former MCL 388.1694d, which pertained to the creation of a task force to attract, prepare, and retain qualified personnel for children with disabilities, was repealed by Act 144 of 2022, Eff. Oct. 1, 2022.

***** 388.1694e THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1694e.amended *****

388.1694e Michigan Education Research Institute; state's education goals.

Sec. 94e.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2025-2026 only an amount not to exceed $1,000,000.00 for support of the Michigan Education Research Institute.

(2) Funding allocated under this section must be distributed to the University of Michigan's Michigan Education Data Center and Michigan State University's Education Policy Innovation Center for the purpose of working collaboratively with the department, the department of lifelong education, advancement, and potential, and the center to build and maintain a research ready dataset, and to conduct research of critical importance to the state's education goals.

(3) The Michigan Education Research Institute shall use funds received under this section for the purpose of expanding on research that includes, but is not limited to, all the following:

(a) Educator shortage.

(b) Early literacy initiative outcomes.

(c) Early childhood development programming outcomes.

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

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1694e.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1694e.amended Michigan Education Research Institute; state's education goals.

Sec. 94e.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2026-2027 an amount not to exceed $1,000,000.00 for support of the Michigan Education Research Institute.

(2) Funding allocated under this section must be distributed to the University of Michigan's Michigan Education Data Center and Michigan State University's Education Policy Innovation Center for the purpose of working collaboratively with the department, the department of lifelong education, advancement, and potential, and the center to build and maintain a research ready dataset, and to conduct research of critical importance to the state's education goals.

(3) The Michigan Education Research Institute shall use funds received under this section for the purpose of expanding on research that includes, but is not limited to, all the following:

(a) Educator shortage.

(b) Literacy initiative outcomes.

(c) Early childhood development programming outcomes.

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

History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1694f.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1694f.added Research and program evaluation of statewide literacy initiatives.

Sec. 94f.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $3,000,000.00 to a public university in this state with an existing research partnership with the department and districts for research and program evaluation activities supporting statewide literacy initiatives. The public university described in this subsection shall use funds received under this section to collect and analyze data, assess program implementation and outcomes, develop and report on key performance indicators, and provide recommendations to improve literacy achievement and inform state implementation, policy, and investment decisions.

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

History: Add. 2026, Act 25, Eff. Oct. 1, 2026

388.1695 Repealed. 2014, Act 196, Eff. Oct. 1, 2014.

Compiler's Notes: The repealed section pertained to professional development for principals and assistant principals.

388.1695a Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to the educator evaluation reserve fund.

***** 388.1695b.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1695b.added Growth and projection analytics system; student and teacher growth.

Sec. 95b.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2026-2027 only an amount not to exceed $2,000,000.00 for a growth and projection analytics system with student and teacher growth reports.

(2) The growth and projections reporting platform must provide continued hosting and delivery of reporting and offer the department additional supports in the areas of research, analysis, web reporting, and training. The platform must use historical student-level data from the state and have experience providing student growth reports.

(3) Funding under this section must be awarded to an intermediate district to partner with the department and a platform vendor to meet the requirements of this section. The platform vendor must be determined through a competitive grant process.

(4) The department and the platform vendor shall provide statewide training for educators to understand the reporting that details the impact to student learning and growth.

(5) The department shall provide internet-based electronic student growth and projection reporting under this section to educators at the school, district, and state levels. The reporting must include role-based permissions that allow educators to access information about the

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performance of the students within their immediate responsibility in accordance with applicable privacy laws.

(6) By not later than March 31, the department shall work with the center to make data available on a publicly accessible website that provides student growth metrics at the district and school level by grade and subject.

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

History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1695b, which pertained to model value-added growth and projection analytics system, was repealed by Act 120 of 2024, Eff. Oct. 1, 2024.

388.1696 Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to golden apple awards.

388.1697 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the school and student safety grant program.

388.1697a Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation for Michigan Virtual University to support Navigate 360.

388.1697b Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to an allocation for school resource officers.

388.1697c Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to grants for comprehensive safety and security assessments.

388.1697d Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to payments to implement critical incidence mapping.

388.1697e Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Wayne RESA; school safety and mental health commission.

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388.1697f Repealed. 2023, Act 103, Eff. Oct. 1, 2023

Compiler's Notes: The repealed section pertained to the cross-system intervention pilot program.

388.1697g Statewide Security Operations Center; Managed Detection and Response solution cybersecurity risk assessments.

Sec. 97g.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only, $9,000,000.00 to an intermediate district with K to 12 pupil membership between 37,500 and 42,500, as reported in the 2021-2022 MI School Data Student Enrollment Counts Report school year final student count, to establish and operate a statewide Security Operations Center (SOC) in partnership with a statewide educational organization. The SOC will provide a Managed Detection and Response (MDR) solution, including SOC staff, to monitor and assist in responding to threats and attacks on critical technology infrastructure for districts and intermediate districts.

(2) The intermediate district receiving funds under this section shall contract with a nonprofit educational organization that maintains a statewide educational technology collaborative to establish the statewide SOC. This statewide SOC will operate under the guidance of an advisory board, comprising educational technology leaders, with regional statewide representation. Other K to 12 stakeholders may be invited to participate in the advisory.

(3) The nonprofit educational organization that the intermediate district contracted with in subsection (2) shall use the funds to do all of the following:

(a) Establish a statewide advisory.

(b) Establish a statewide SOC security team.

(c) Establish statewide MDR service.

(d) Train district technology staff in the deployment and use of MDR software and services.

(e) Purchase and distribute MDR licensing to districts and intermediate districts for installation on critical technology infrastructure.

(f) Train, monitor, and track district utilization of a toolkit to be identified by the SOC such as MISecure Quick Self-Assessment.

(g) Not later than January 1, 2025 and each subsequent fiscal year, prepare a summary report that includes measurable outcomes including participation, detection, prevention, and response to cybersecurity incidents in order to evaluate the effectiveness of the project. The report must be submitted to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies.

(4) After the nonprofit educational organization that the intermediate district contracted with in subsection (2) uses funds as required under subsection (3), the nonprofit educational organization may use any remaining funds to do any of the following:

(a) Supply additional cybersecurity services as technologies evolve and budget allows.

(b) Partner with K to 12 statewide connectivity partners to install and monitor intrusion detection systems.

(5) Districts receiving software and service under this project shall do both of the following:

(a) Complete the assessment identified in subsection (3)(f) annually.

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(b) Install and maintain statewide SOC MDR software on critical infrastructure as described in this section, provide access to the software to the statewide SOC, and coordinate responses with the statewide SOC and the district's intermediate district.

(6) For districts that have MDR solutions in place as of October 1, 2023, a licensing cost allocation equal to the cost of the statewide SOC provided license may be provided until the end of the local contract or the end of the funding period, whichever comes first. Funds allocated under this subsection must be used to offset local MDR costs, cybersecurity assessment, or further cybersecurity investment.

(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 and may be expended in subsequent years until the end of the 2027-2028 state fiscal year. The purpose of the work project is to increase stable and reliable cybersecurity in districts and intermediate districts. The estimated completion date of the work project is September 30, 2028.

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

(9) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2028. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2028.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1697h Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to a school safety tip line and educational materials related to improperly stored firearms.

388.1697i Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to firearm detection software.

388.1697j Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to Raptor Technologies for early behavior intervention tools.

388.1697k Repealed. 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to allocation to Washtenaw Intermediate School district to support statewide helpline for families in educational crisis.

388.1697l Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Dearborn City School District for cybersecurity certificate program.

388.1697m Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to 42 Strong for a peer mentoring program.

***** 388.1697n THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1697n.amended *****

388.1697n Community violence intervention plans.

Sec. 97n.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 $10,000,000.00 for grants to districts to support the efforts of community violence intervention plans to reduce or prevent youth violence.

(2) Districts must apply on a competitive basis for funding under this section in a form and manner determined by the department. The department shall coordinate with the office of community violence intervention in the department of health and human services to evaluate applications submitted under this section. Awards must be granted based on competitive criteria determined by the department and the department of health and human services, but must prioritize grants for local district plans that include comprehensive strategies with demonstrated external partnerships to support successful implementation.

(3) Districts may use funding received under this section to contract with nonprofits, community-based organizations, subject matter experts, or other governmental entities to implement a plan to reduce or prevent youth violence. A plan to reduce or prevent youth violence implemented under this subsection must use evidence-based practices, include mentorship and community engagement strategies, and may include, but is not limited to, increased academic, counseling, health, and wrap-around services to youth.

(4) The funds allocated in this section are a work project appropriation, and any unexpended funds for 2025-2026 are carried forward into 2026-2027. The purpose of the work project is to support the work of community violence intervention programs in districts and intermediate districts. The estimated completion date of the work project is September 30, 2030.

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

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1697n.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1697n.amended Community violence intervention plans.

Sec. 97n.

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(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only $10,000,000.00 for grants to districts to support the efforts of community violence intervention plans to reduce or prevent youth violence.

(2) Districts must apply on a competitive basis for funding under this section in a form and manner determined by the department. The department shall coordinate with the office of community violence intervention in the department of health and human services to evaluate applications submitted under this section. Awards must be granted based on competitive criteria determined by the department and the department of health and human services, but must prioritize grants for local district plans that include comprehensive strategies with demonstrated external partnerships to support successful implementation.

(3) Districts may use funding received under this section to contract with nonprofits, community-based organizations, subject matter experts, or other governmental entities to implement a plan to reduce or prevent youth violence. A plan to reduce or prevent youth violence implemented under this subsection must use evidence-based practices, include mentorship and community engagement strategies, and may include, but is not limited to, increased academic, counseling, health, and wrap-around services to youth.

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

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History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1698 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1698.amended *****

388.1698 Michigan Virtual University; Michigan Virtual Learning Research Institute; Michigan Virtual School; online and blended educator professional development programs; virtual course offerings; home-schooled or nonpublic school student; report; advisory group; submission of budget; definitions.

Sec. 98.

(1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed $9,800,000.00 for 2025-2026 for the purposes described in this section. The Michigan Virtual University shall provide a report to the legislature not later than November 1 of each 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, to receive full funding for the next fiscal year for which funding is allocated under this section. By 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 by 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. By 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.

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(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 to 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.

(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.

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(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 support the expansion of new online and blended educator professional development programs.

(5) From the funds allocated under subsection (1), the Michigan Virtual University shall operate a comprehensive statewide laboratory designed to function as a hub for cutting-edge research, the identification and dissemination of best practices, rigorous experimentation, policy formulation, and proactive efforts to enhance awareness about the responsible utilization of artificial intelligence in schools.

(6) 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.

(7) If a home-schooled 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.

(8) By 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.

(9) In addition to the information listed in subsection (8), the report under subsection (8) 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).

(10) 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

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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 2030.

(11) By 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. By 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.

(12) 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.

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History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 56, Eff. June 27, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2016, Act 313, Eff. Oct. 6, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Former MCL 388.1698, which pertained to professional development programs, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.In subsection (1), as amended by Act 121 of 2001, the phrase “and for 2002-2003” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the

state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."For the transfer of powers and duties of the MiSTEM advisory council from the department of technology, management, and budget to the department of labor and economic opportunity, abolishment of the MiSTEM advisory council and the positions of executive director and executive assistant for the MISTEM network, and creation of the MI-STEM Council within the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.In subsection (1), as amended by Act 58 of 2019, the following phrase "and, for 2019-2020 only, from the talent investment fund money appropriated in section 11, there is allocated an amount not to exceed $1,075,000.00" was vetoed by the governor on September 30, 2019.

***** 388.1698.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1698.amended Michigan Virtual University; Michigan Virtual Learning Research Institute; Michigan Virtual School; online and blended educator professional development programs; virtual course offerings; home-schooled or nonpublic school student; report; advisory group; submission of budget; definitions.

Sec. 98.

(1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed $9,800,000.00 for 2026-2027 only for the purposes described in this section. The Michigan Virtual University shall provide a report to the legislature not later than November 1 of each 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, to receive full funding for the next fiscal

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year for which funding is allocated under this section. By 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 by 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. By 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:

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(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 to 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.

(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.

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(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 support the expansion of new online and blended educator professional development programs.

(5) From the funds allocated under subsection (1), the Michigan Virtual University shall operate a comprehensive statewide laboratory designed to function as a hub for cutting-edge research, the identification and dissemination of best practices, rigorous experimentation, policy formulation, and proactive efforts to enhance awareness about the responsible utilization of artificial intelligence in schools.

(6) 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.

(7) If a home-schooled 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.

(8) By 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.

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(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.

(9) In addition to the information listed in subsection (8), the report under subsection (8) 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).

(10) 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 2030.

(11) By 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. By 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.

(12) 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.

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History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 56, Eff. June 27, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2016, Act 313, Eff.

Oct. 6, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1698, which pertained to professional development programs, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.In subsection (1), as amended by Act 121 of 2001, the phrase “and for 2002-2003” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."For the transfer of powers and duties of the MiSTEM advisory council from the department of technology, management, and budget to the department of labor and economic opportunity, abolishment of the MiSTEM advisory council and the positions of executive director and executive assistant for the MISTEM network, and creation of the MI-STEM Council within the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.In subsection (1), as amended by Act 58 of 2019, the following phrase "and, for 2019-2020 only, from the talent investment fund money appropriated in section 11, there is allocated an amount not to exceed $1,075,000.00" was vetoed by the governor on September 30, 2019.

388.1698a Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

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Compiler's Notes: The repealed section pertained to extended COVID-19 learning plans.Former MCL 388.1698a, which pertained to allocation for 21st century learning environment, was repealed by Act 110 of 2010, Eff. Oct. 1, 2010.

388.1698b Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to benchmark assessment reporting.Former MCL 388.1698b, which pertained to freedom to learn program was repealed by Act 92 of 2007, Imd. Eff. Oct. 1, 2007.

388.1698c Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to federal funding for eligible districts for learning loss.

***** 388.1698d.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1698d.added Michigan learning channel.

Sec. 98d.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2026-2027 only an amount not to exceed $3,000,000.00 to a public university that has previously partnered with a statewide, public, nonprofit educational media service providing free, standards-aligned instructional programming to Michigan schools. The public university described in this subsection shall not retain any portion of the funding received under this section for administrative purposes. The statewide, public, nonprofit educational media service described in this subsection must meet all of the following requirements:

(a) Provide free, curriculum-aligned educational programming and instructional resources for pupils, families, and educators through over-the-air broadcast, digital streaming, and online platforms.

(b) Deliver educational programming that is aligned with this state's pre-K through grade 12 academic standards and supports literacy instruction grounded in evidence-based reading practices.

(c) Operate in partnership with Michigan public broadcasting stations to provide statewide educational programming and classroom resources.

(d) Demonstrate the capability to produce and distribute Michigan-specific educational content statewide through broadcast and digital platforms.

(e) Maintain an online library of instructional resources for educators, pupils, and families that is available statewide at no cost.

(f) Use the funding allocated under this section solely for the expansion of literacy programming, educator resources, and family engagement activities.

(2) By not later than February 1, 2028, the statewide, public, nonprofit educational media service described in subsection (1) 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 its compliance with ensuring that conditions listed under subsection (1) were met.

(3) Notwithstanding section 17b, the department shall make payments under this section by not later than December 1, 2026.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1698d, which pertained to an allocation to Northern Michigan University to support the Michigan Learning Channel, was repealed by Act 15 of 2025, Imd. Eff. Oct. 7, 2025.

388.1699 Repealed. 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to one-time grants.

388.1699a Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Heroes Circle program to support children with social-emotional learning.

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388.1699b Computer science professional development and learning programs.

Sec. 99b.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $500,000.00 for 2024-2025 only to districts to develop and implement teacher professional development 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 professional 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.

(d) Professional learning offerings that do both of the following:

(i) Help teachers identify strategies to encourage course enrollment by underrepresented groups.

(ii) Connect to a curriculum that is free for educators and is aligned with the Michigan computer science standards.

(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 development.

(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 groups underrepresented in computer science, including racial and ethnic minorities, girls, and youth from families living at or below the poverty line, as that term is defined in 20 USC 7801.

(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) Districts may contract with high-quality professional learning providers to offer the professional learning described in subsection (2). As used in this subsection, "high-quality professional learning providers" means institutions of higher education, nonprofits, or private entities that have successfully designed, implemented, and scaled high-quality computer science professional learning for teachers, as described in subsection (2)(a).

(5) The department shall prioritize districts as follows when granting funding under subsection (1):

(a) Districts in rural or urban areas with a higher proportion of students from groups historically underrepresented in computer science, including racial and ethnic minorities, girls, and youth from families living at or below the poverty line, as that term is defined in 20 USC 7801.

(b) Districts with limited or no computer science offerings that state in their application that the district plans to use the funding to expand in-person computer science offerings.

(6) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue to support computer science education implementation. The estimated completion date of the work project is September 30, 2026.

(7) A district that receives funding under this section shall submit a report to the department by June 30, 2025. 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.

(h) The number of in-person computer science offerings that were provided, expanded, or added using funding received under this section.

(8) The department shall make the report submitted under subsection (7) available on a publicly accessible website.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024
Compiler's Notes: Former MCL 388.1699b, which pertained to training program for science, technology, engineering, and mathematics (STEM) instruction, was repealed by Act 85 of 2015, Eff. Oct. 1, 2015.

388.1699c Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to a one-time allocation to an eligible organization.

388.1699d Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to allocation to districts for the teaching of diverse American history.

388.1699e Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Wayne RESA for partnership with nonprofit for high-dosage neighborhood-based tutoring and direct noninstructional services for certain at-risk pupils.

388.1699f Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to an eligible school district to cover residual costs of collapsed high school roof.Former MCL 388.1699f, which pertained to school building security mapping, was repealed by Act 6 of 2007, Imd. Eff. Apr. 30, 2007.

388.1699g Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to allocation to districts to provide feminine hygiene products to eligible students.

***** 388.1699h THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1699h.amended *****

388.1699h FIRST Robotics program; eligibility.

Sec. 99h.

(1) From the state school aid pupil support reserve fund money appropriated in section 11, there is allocated an amount not to exceed $5,000,000.00 for 2025-2026 only for competitive grants to districts and intermediate districts, and from the general pupil support reserve fund money appropriated in section 11, there is allocated $600,000.00 for 2025-2026 only for competitive grants to nonpublic schools, that provide pupils in grades pre-K to 12 with expanded opportunities to improve mathematics, science, computer science, and technology skills by participating in robotics competition programs hosted by program providers including, but not limited to, FIRST (for inspiration and recognition of science and technology) Robotics, including FIRST Lego League - Discover, Explore, and Challenge, FIRST Tech challenge, and FIRST Robotics competition, LTU Robofest, MATE (Marine Advanced Technical Education), REC (Robotics Education Competition) Foundation, Square

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One Education Network, VEX, and other providers approved by the department. It is the intent of the legislature that the appropriations under this section will be funded with state school aid pupil support reserve fund money and general pupil support reserve fund money through 2027-2028. All approved providers shall make all programs available to students in this state regardless of geographical location. 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 and 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 and 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 determined 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 state school aid 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 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 of the current fiscal year, submit this information to the department for publication on the department's website.

(b) By not later than 60 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 of the current fiscal year, 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

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application that the district, nonpublic school, or intermediate district has established a partnership for the purposes of the robotics program with at least 1 sponsor, business entity, higher education institution, technical school, or individual, must submit a budget, and must 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.

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

(7) 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.

(8) To be eligible to receive a grant under this section, a district, nonpublic school, or intermediate district must do all of the following:

(a) If the district, nonpublic school, or intermediate district is requesting funding for more than 1 team for a building, meet the minimum requirements for team size as determined by the approved program provider.

(b) Participate in at least the minimum number of competitions as determined by the approved program provider.

(c) Participate in at least 1 in-person competition.

(9) 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.

(10) As used in this section, "current fiscal year" means the fiscal year for which an allocation is made under this section.

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History: Add. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2016, Act 313, Eff. Oct. 6, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Former MCL 388.1699h, which pertained to FIRST robotics competitions, was repealed by Act 137 of 2007, Imd. Eff. Nov. 8, 2007.In subsection (1), as amended by Act 58 of 2019, the following phrase "and from the general fund appropriation in section 11, there is allocated an amount not to exceed $300,000.00 for 2019-2020 for competitive grants to nonpublic schools" and the phrase "nonpublic schools," was vetoed by the governor on September 30, 2019.In subsections (2) and (3)(a), (b), and (c), as amended by Act 58 of 2019, the phrase "nonpublic schools," was vetoed by the governor on

September 30, 2019.Subsections (4) and (5), as amended by Act 58 of 2019, were vetoed by the governor on September 30, 2019.

***** 388.1699h.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1699h.amended FIRST Robotics program; eligibility.

Sec. 99h.

(1) From the state school aid pupil support reserve fund money appropriated in section 11, there is allocated an amount not to exceed $5,000,000.00 for 2026-2027 only for competitive grants to districts and intermediate districts, and from the general pupil support reserve fund money appropriated in section 11, there is allocated $600,000.00 for 2026-2027 only for competitive grants to nonpublic schools, that provide pupils in grades pre-K to 12 with expanded opportunities to improve mathematics, science, computer science, and technology skills by participating in robotics competition programs hosted by program providers including, but not limited to, FIRST (for inspiration and recognition of science and technology) Robotics, including FIRST Lego League - Discover, Explore, and Challenge, FIRST Tech challenge, and FIRST Robotics competition, LTU Robofest, MATE (Marine Advanced Technical Education), REC (Robotics Education Competition) Foundation, Square One Education Network, VEX, and other providers approved by the department. It is the intent of the legislature that the appropriations under this section will be funded with state school aid pupil support reserve fund money and general pupil support reserve fund money through 2027-2028. All approved providers shall make all programs available to students in this state regardless of geographical location. 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 and 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 and 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 determined 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 state school aid 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 submit to the department registration information, including any fees; pledge that

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it will post this information on its website; and, by not later than January 1 of the current fiscal year, submit this information to the department for publication on the department's website.

(b) By not later than 60 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 of the current fiscal year, 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 1 sponsor, business entity, higher education institution, technical school, or individual, must submit a budget, and must 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.

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

(7) 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.

(8) To be eligible to receive a grant under this section, a district, nonpublic school, or intermediate district must do all of the following:

(a) If the district, nonpublic school, or intermediate district is requesting funding for more than 1 team for a building, meet the minimum requirements for team size as determined by the approved program provider.

(b) Participate in at least the minimum number of competitions as determined by the approved program provider.

(c) Participate in at least 1 in-person competition.

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(9) 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.

(10) As used in this section, "current fiscal year" means the fiscal year for which an allocation is made under this section.

History: Add. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2016, Act 313, Eff. Oct. 6, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1699h, which pertained to FIRST robotics competitions, was repealed by Act 137 of 2007, Imd. Eff. Nov. 8, 2007.In subsection (1), as amended by Act 58 of 2019, the following phrase "and from the general fund appropriation in section 11, there is allocated an amount not to exceed $300,000.00 for 2019-2020 for competitive grants to nonpublic schools" and the phrase "nonpublic schools," was vetoed by the governor on September 30, 2019.In subsections (2) and (3)(a), (b), and (c), as amended by Act 58 of 2019, the phrase "nonpublic schools," was vetoed by the governor on September 30, 2019.Subsections (4) and (5), as amended by Act 58 of 2019, were vetoed by the governor on September 30, 2019.

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388.1699i Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to support the Michigan Council of Women in Technology Foundation.

388.1699j Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to Square One and STEM learning opportunities.Former MCL 388.1699j, which pertained to allocations to certain pilot projects, was repealed by Act 121 of 2009, Imd. Eff. Oct. 19, 2009.

388.1699k Repealed. 2018, Act 265, Eff. Oct. 1, 2018.

Compiler's Notes: The repealed section pertained to cybersecurity competitive events.

388.1699m Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Shiawassee Regional ESD for construction of a career technical education center.

388.1699n Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Lansing Public School District for a career technical

education center.Former MCL 388.1699n, which pertained to districts entering cooperative arrangements with community colleges, was repealed by Act 121 of 2009, Imd. Eff. Oct. 19, 2009.

388.1699p Repealed. 2011, Act 62, Eff. Oct. 1, 2011.

Compiler's Notes: The repealed section pertained to cultural, art, or music resources.

388.1699r Repealed. 2018, Act 265, Eff. Oct. 1, 2018.

Compiler's Notes: The repealed section pertained to MiSTEM network.

***** 388.1699s.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1699s.added MiSTEM programs; MiSTEM council; MiSTEM network regions; grants.

Sec. 99s.

(1) From state school aid fund money appropriated under section 11, there is allocated for 2026-2027 an amount not to exceed $8,000,000.00 for Michigan science, technology, engineering, and mathematics programs. 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 section to ensure that the MiSTEM council's members or their designees are trained in a third-party evaluation system such as the Change the Equation STEMworks 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 or demonstration grant 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 or other third-party 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.

(c) To be eligible for MiSTEM council approval as described in this subsection, a demonstration grant must satisfy all of the following:

(i) Align with this state's academic standards.

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(ii) In collaboration with the department, scale project, problem, or place-based learning in a building or district in support of the statewide STEM strategy as recommended by the MiSTEM council.

(d) The MiSTEM council is encouraged to work with the MiSTEM network to develop locally and regionally developed programs, demonstration grants, and professional learning experiences for the programs on the list of approved programs. At the direction of the MiSTEM council, funds can be used to evaluate and market regions, programs, and demonstration grants.

(e) 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.

(4) From the state school aid fund money allocated under subsection (1), there is allocated for 2026-2027 an amount not to exceed $3,800,000.00 for the purpose of funding programs or demonstration grants under this section for 2026-2027 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 $4,200,000.00 for 2026-2027 to support the activities and programs of the MiSTEM network regions. From the funds allocated under this subsection, the department shall award the fiscal agent for each MiSTEM network region $220,000.00 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 and the department 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 described in this subdivision should do all of the following in collaboration with the department:

(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.

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(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.

(g) In collaboration with the department, deploy marketing and outreach efforts to publish the availability of STEM learning opportunities.

(7) To receive funds under this section, a grant recipient must allow access for the department or the department's designee to audit all records related to the program for which the grant recipient received those funds. The grant recipient shall reimburse the state for all disallowances found in the audit.

(8) To receive funds under this section, a grant recipient must provide at least a 10% local match from local public or private resources for the funds received under this subsection.

(9) By not later than July 1 of each fiscal year for which funding is allocated under this section, grant recipients 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. The report described in this subsection must be published on a publicly accessible website.

(10) 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.

(11) Not more than 5% of funds awarded under this section may be retained by a fiscal agent.

(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) "Department" means the department of labor and economic opportunity.

(c) "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.

(d) "STEM" means science, technology, engineering, and mathematics delivered in an integrated fashion using cross-disciplinary learning experiences that can include language arts, performing and fine arts, and career and technical education.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1699s, which pertained to an allocation for MiSTEM programs, was repealed by Act 15 of 2025, Imd. Eff. Oct. 7, 2025.

388.1699t Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to purchase statewide access to an online algebra tool.

388.1699u Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to districts to access an online mathematics and literacy tool.

388.1699v Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to grants for seamless transitions.

388.1699w Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to a grant to the Michigan Fitness Foundation to invest in a physical education curriculum.

388.1699x Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to Kentwood Public Schools to support Teach For America's TeachMichigan initiative.

388.1699y Repealed. 2019, Act 58, Eff. Oct. 1, 2019.

Compiler's Notes: The repealed section pertained to funding for a STEM and entrepreneurship pilot program.

388.1699z Repealed. 2022, Act 144, Imd. Eff. July 14, 2022.

Compiler's Notes: The repealed section pertained to a work project for payments to eligible districts for eligible teachers.

388.1699aa Repealed. 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to a work project partnership with Project SEARCH to provide opportunities for high school students with disabilities to obtain competitive employment.

388.1699bb Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to YMCA youth in government grants.

388.1699cc Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to NAF academies and partnership grant program.

388.1699dd Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

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Compiler's Notes: The repealed section pertained to an allocation for expansion of science center.

388.1699ee Repealed. 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to allocation to Wayne RESA for partnership with organization to provide career support programs and services for Hispanic college students.

388.1699ff Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation for a collaboration with Wayne RESA and Junior Achievement for the implementation of personal finance high school graduation requirements.

388.1699gg Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Detroit Public Schools Community District for expansion of locations of before- and after-school programs.

388.1699hh Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to Wayne RESA for partnership with AmeriCorps service members for academic interventions.

388.1699ii Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to Wayne-Westland Community School District for a K to 12 driver's training pilot grant program.

388.1699jj Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation to Dearborn City School District and Amity Foundation partnership for a K to 12 driver's training pilot grant program.

388.1699kk Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to district or intermediate district partnerships with community-based organization for the expansion of locations of before- and after-school programs.

388.1699ll Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to Eastpointe Community Schools for construction of a swimming pool.

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388.1699mm Repealed 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to allocation to Menominee Area Public Schools for emergency water and asbestos event.

***** 388.1699nn.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1699nn.added Virtual reality simulation pilot program; math and science education.

Sec. 99nn.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $2,900,000.00 to an intermediate district to partner with the department and a virtual reality program provider to serve up to 9,000 students in up to 8 districts in a virtual reality simulation pilot program that improves math and science education for students in grades 6 to 12.

(2) A virtual reality simulation pilot program described in this section must do all of the following:

(a) Offer tactile, multimodal learning experiences that teach core state standards-aligned concepts and skills for grades 6 to 12 mathematics and science, with a focus on improving outcomes on standards-aligned algebra I and middle school math benchmarks.

(b) Immerse students in real-world problems across occupations and career clusters to build career exposure and relevance, using 3-D models and interactives that visualize and manipulate abstract mathematical and science concepts. A virtual reality program provider described in this section must have already conducted a randomized controlled trial by a third-party evaluator that demonstrated double-digit growth outcomes in algebra I benchmark assessments.

(c) Align with high-skill, high-wage, and high-demand occupations across career clusters aligned with local and market needs. Districts participating in a pilot program described in this section shall provide access to all mathematics and science teachers in a district for the purpose of building the strong quantitative and critical thinking foundations that every student requires to be successful across career clusters.

(3) An intermediate district receiving funds under this section shall forward funds received to a virtual reality program provider determined by the department within 30 days of the receipt of funds. The intermediate district may retain up to 2.5% of funds received for administrative costs. The intermediate district bears no responsibility for the operation of the virtual reality pilot program described in this section.

(4) To be eligible for funding under this section, an intermediate district must apply in a form and manner determined by the department.

(5) To be eligible to participate in the pilot program, districts must apply in a form and manner determined by the department.

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

History: Add. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1701 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1701.amended *****

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388.1701 Eligibility to receive state aid; submission of number of pupils enrolled and in regular daily attendance; certification of data; noncompliance; withholding state aid; pupil instruction; minimum number of hours or days; requirements; guidelines; waiver; counting number of hours of qualifying teacher professional development; subsections (3) and (8) inapplicable to cyber school or dropout recovery program; "eligible pupil" defined; review of waiver standards.

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

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apply to that district until after the expiration of that collective bargaining agreement. A district may apply for a waiver under subsection (9) or subdivision (h) 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):

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(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) For the 2024-2025 school year only, a district does not need to meet the minimum number of hours and days of pupil instruction requirement under subdivision (a) if that district meets all of the following requirements:

(i) The district is located wholly or partially in a county that is covered by a state of emergency declared by the governor.

(ii) A majority of the district board votes to exempt the district from the minimum number of hours and days of pupil instruction required under subdivision (a).

(iii) The vote by the district board under subparagraph (ii) exempts the district from providing only the hours and days of pupil instruction actually missed due to the state of emergency.

(iv) The vote by the district board under subparagraph (ii) exempts the district from not more than 15 days of pupil instruction required under subdivision (a). The amount that may be exempted under this subdivision is in addition to any days counted as pupil instruction under subsection (4).

(i) The superintendent shall promulgate rules for the implementation of this subsection.

(4) All of the following apply to the counting of hours and days 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. For the 2025-2026 school year only, a district may count up to 4 additional days in which pupil instruction is not provided because of conditions not within the control of school authorities as described in this subdivision as hours and days of pupil instruction if all of the following apply:

(i) A district seeking to count up to 4 additional days as hours and days of pupil instruction under this subdivision is located wholly or partially in any of the following counties:

(A) Mason County.

(B) Lake County.

(C) Osceola County.

(D) Clare County

(E) Gladwin County.

(F) Arenac County.

(G) Manistee County.

(H) Wexford County.

(I) Missaukee County.

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(J) Roscommon County.
(K) Ogemaw County.
(L) Iosco County.
(M) Benzie County.
(N) Grand Traverse County.
(O) Kalkaska County.
(P) Crawford County.
(Q) Oscoda County.
(R) Alcona County.
(S) Leelanau County.
(T) Antrim County.
(U) Otsego County.
(V) Montmorency County.
(W) Alpena County.
(X) Charlevoix County.
(Y) Emmet County.
(Z) Cheboygan County.
(AA) Presque Isle County.
(BB) Gogebic County.
(CC) Ontonagon County.
(DD) Houghton County.
(EE) Iron County.
(FF) Baraga County.
(GG) Marquette County.
(HH) Dickinson County.
(II) Menominee County.
(JJ) Alger County.
(KK) Delta County.
(LL) Schoolcraft County.
(MM) Luce County.
(NN) Chippewa County.
(OO) Mackinac County.
(PP) Keweenaw County.

(ii) A district described in subparagraph (i) was not able to provide pupil instruction on March 12, 13, 16, or 17 due to conditions not within the control of school authorities as described in this subdivision.

(iii) A district described in subparagraph (i) counts only the dates described in subparagraph (ii) in which pupil instruction was not provided as additional hours and days of pupil instruction under this subdivision.

(b) For the 2025-2026 school year only, a district located in a county described in Executive Order No. 2026-7 or Executive Order No. 2026-9 may count up to 5 additional days in which pupil instruction is not provided because of conditions not within the control of school authorities as described in Executive Order No. 2026-7 or Executive Order No. 2026-9 as hours and days of pupil instruction.

(c) For the 2025-2026 school year only, a district located in a county or region described in Executive Order No. 2026-11 may count up to 4 additional days in which pupil instruction is not provided because of conditions not within the control of school authorities as described in Executive Order No. 2026-11 as hours and days of pupil instruction.

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(d) 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.

(e) 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 as provided under subdivision (d) 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.

(f) In deciding whether to approve the counting of additional hours or days of pupil instruction under subdivision (d) 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).

(g) Subsequent hours or days beyond those described in subdivisions (a) to (d) 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, or a pupil in grades 6 to 8 for whom a reduced schedule is determined to be in the individual pupil's best educational interest due to the pupil's participation in an advanced curriculum, must be scheduled for a number of hours equal to at least 80% of the required minimum

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number of hours of pupil instruction to be considered a full-time equivalent pupil. A pupil in grades 6 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) For a pupil in grades 9 to 12 enrolled in a cooperative education program, or for a special education pupil, in determining full-time equated membership for that pupil, the pupil is not considered less than a full-time equated pupil solely because of the effect of the pupil's enrollment in the cooperative education program or special education program, including necessary travel time, on the number of class hours provided by the district to the pupil.

(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:

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(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.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1986, Act 298, Imd. Eff. Dec. 22, 1986 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 142, Imd. Eff. July 15,

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1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Imd. Eff. June 30, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 476, Imd. Eff. June 27, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 127, Imd. Eff. June 3, 2004 ;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004 ;-- Am. 2005, Act 41, Imd. Eff. June 7, 2005 ;-- Am. 2005, Act 155, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2009, Act 203, Imd. Eff. Jan. 4, 2010 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2012, Act 516, Imd. Eff. Dec. 28, 2012 ;-- Am. 2013, Act 29, Imd. Eff. May 16, 2013 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Imd. Eff. June 24, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 11, Imd. Eff. May 13, 2019 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 148, Imd. Eff. Aug. 20, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2025, Act 5, Imd. Eff. June 2, 2025 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 15, Imd. Eff. May 29, 2026

Compiler's Notes: The last sentence of subsection (4), as amended by Act 180 of 1996, which provided "However, for 1995-96 only, for a school district at or above townline 16, the first 5 days for which pupil instruction is not provided because of conditions described in this subsection shall be counted as days of pupil instruction." was vetoed by the governor on April 22, 1996.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

Admin Rule: R 340.1 et seq. of the Michigan Administrative Code.

***** 388.1701.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1701.amended Eligibility to receive state aid; submission of number of pupils enrolled and in regular daily attendance; certification of data; noncompliance; withholding state aid; pupil instruction; minimum number of hours or days; requirements; guidelines; waiver; counting number of hours of qualifying teacher professional development; subsections (3) and (8) inapplicable to cyber school or dropout recovery program; "eligible pupil" defined; review of waiver standards.

Sec. 101.

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(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) or subdivision (h) 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

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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 this subsection, 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.

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(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) Subdivision (d) does not apply to a district-operated special education program approved by the department if the district-operated special education program's instructional calendar exceeds 180 days of pupil instruction. For any day of instruction provided as part of a district-operated special education program described in this subdivision, the district-operated special education program is exempt from the attendance threshold established under subdivision (d), provided that the district-operated special education program offers the minimum hours of pupil instruction required under this section and maintains documentation of the program's approved instructional calendar.

(i) At the request of a district with fewer than 100 pupils in membership as reported in the most recent fall pupil count, the superintendent shall grant a waiver from the requirements of subdivision (d) if the district demonstrates that the absence of a single household may materially reduce the district's daily attendance percentage below the threshold established in subdivision (d). A waiver granted under this subdivision must provide that the district is subject to the proration provisions of subdivision (d) only if the district does not have at least 60% of the district's membership in attendance on any day of pupil instruction. The district shall maintain records necessary to substantiate the district's eligibility for a waiver granted under this subdivision.

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

(4) All of the following apply to the counting of hours and days 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. For the 2025-2026 school year only, a district may count up to 4 additional days in which pupil instruction is not provided because of conditions not within the control of school authorities as described in this subdivision as hours and days of pupil instruction if all of the following apply:

(i) A district seeking to count up to 4 additional days as hours and days of pupil instruction under this subdivision is located wholly or partially in any of the following counties:

(A) Mason County.
(B) Lake County.
(C) Osceola County.
(D) Clare County.
(E) Gladwin County.
(F) Arenac County.
(G) Manistee County.
(H) Wexford County.
(I) Missaukee County.
(J) Roscommon County.
(K) Ogemaw County.
(L) Iosco County.
(M) Benzie County.
(N) Grand Traverse County.
(O) Kalkaska County.

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(P) Crawford County.
(Q) Oscoda County.
(R) Alcona County.
(S) Leelanau County.
(T) Antrim County.
(U) Otsego County.
(V) Montmorency County.
(W) Alpena County.
(X) Charlevoix County.
(Y) Emmet County.
(Z) Cheboygan County.
(AA) Presque Isle County.
(BB) Gogebic County.
(CC) Ontonagon County.
(DD) Houghton County.
(EE) Iron County.
(FF) Baraga County.
(GG) Marquette County.
(HH) Dickinson County.
(II) Menominee County.
(JJ) Alger County.
(KK) Delta County.
(LL) Schoolcraft County.
(MM) Luce County.
(NN) Chippewa County.
(OO) Mackinac County.
(PP) Keweenaw County.

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(ii) A district described in subparagraph (i) was not able to provide pupil instruction on March 12, 13, 16, or 17 due to conditions not within the control of school authorities as described in this subdivision.

(iii) A district described in subparagraph (i) counts only the dates described in subparagraph (ii) in which pupil instruction was not provided as additional hours and days of pupil instruction under this subdivision.

(b) For the 2025-2026 school year only, a district located in a county described in Executive Order No. 2026-7 or Executive Order No. 2026-9 may count up to 5 additional days in which pupil instruction is not provided because of conditions not within the control of school authorities as described in Executive Order No. 2026-7 or Executive Order No. 2026-9 as hours and days of pupil instruction.

(c) For the 2025-2026 school year only, a district located in a county or region described in Executive Order No. 2026-11 may count up to 4 additional days in which pupil instruction is not provided because of conditions not within the control of school authorities as described in Executive Order No. 2026-11 as hours and days of pupil instruction.

(d) 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.

(e) 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 as provided under subdivision (d) 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.

(f) In deciding whether to approve the counting of additional hours or days of pupil instruction under subdivision (d) 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).

(g) Subsequent hours or days beyond those described in subdivisions (a) to (d) 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, or a pupil in grades 6 to 8 for whom a reduced schedule is determined to be in the individual pupil's best educational interest due to the pupil's participation in an advanced curriculum, 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 6 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.

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(d) For a pupil in grades 9 to 12 enrolled in a cooperative education program, or for a special education pupil, in determining full-time equated membership for that pupil, the pupil is not considered less than a full-time equated pupil solely because of the effect of the pupil's enrollment in the cooperative education program or special education program, including necessary travel time, on the number of class hours provided by the district to the pupil.

(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

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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.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1986, Act 298, Imd. Eff. Dec. 22, 1986 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 142, Imd. Eff. July 15, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Imd. Eff. June 30, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff.

July 26, 2000 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 476, Imd. Eff. June 27, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 127, Imd. Eff. June 3, 2004 ;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004 ;-- Am. 2005, Act 41, Imd. Eff. June 7, 2005 ;-- Am. 2005, Act 155, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2009, Act 203, Imd. Eff. Jan. 4, 2010 ;-- Am. 2010, Act 110, Imd. Eff. July 8, 2010 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2012, Act 516, Imd. Eff. Dec. 28, 2012 ;-- Am. 2013, Act 29, Imd. Eff. May 16, 2013 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Imd. Eff. June 24, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2019, Act 11, Imd. Eff. May 13, 2019 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 148, Imd. Eff. Aug. 20, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2025, Act 5, Imd. Eff. June 2, 2025 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 15, Imd. Eff. May 29, 2026 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: The last sentence of subsection (4), as amended by Act 180 of 1996, which provided "However, for 1995-96 only, for a school district at or above townline 16, the first 5 days for which pupil instruction is not provided because of conditions described in this subsection shall be counted as days of pupil instruction." was vetoed by the governor on April 22, 1996.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

Admin Rule: R 340.1 et seq. of the Michigan Administrative Code.

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388.1701a Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: Former MCL 388.1701a, which pertained to extended school year, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.The repealed section pertained to enrollment of individual who has dropped out of another district.

388.1702 Failure to submit deficit elimination plan or deficit elimination plan not approved; authority of department to withhold payments; release of money withheld under subsection (1); consultation; submission of enhanced deficit elimination plan; requirements; allocation contingent upon compliance with section; definitions.

Sec. 102.

(1) If a district or intermediate district is required to submit a deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and the district or intermediate district fails to submit a deficit elimination plan or the deficit elimination plan is not approved, the department may withhold some or all of the money payable to the district or intermediate district under this article, in an amount the department determines necessary to incentivize the district or intermediate district to eliminate the deficit, until the district or intermediate district submits to the department for approval an amended budget for the current school fiscal year and a deficit elimination plan in the form and manner prescribed by the department or until the deficit elimination plan is approved by the department, as determined by the department.

(2) The department shall release money withheld under subsection (1) after the department approves the deficit elimination plan. To assure greater coordination and effective partnerships in the development and implementation of a deficit elimination plan, when administering this subsection and subsection (1), the department shall consult with all of the following:

(a) The department of treasury.

(b) The chief administrative officer of the district or intermediate district required to submit a deficit elimination plan under section 1220 of the revised school code, MCL 380.1220.

(c) For a district required to submit a deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, the intermediate superintendent of the intermediate district in which the district is located.

(3) If a district or intermediate district is required to submit an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, the state treasurer may withhold some or all of the money payable to the district under this article, in an amount the state treasurer determines necessary to incentivize the district or intermediate district to eliminate the deficit, until the district or intermediate district submits to the state treasurer for approval an approved budget for the current school fiscal year and an enhanced deficit elimination plan in the form and manner prescribed by the department of treasury under section 1220 of the revised school code, MCL 380.1220, or until the enhanced deficit elimination plan is approved by the department of treasury, as determined by the department of treasury. The state treasurer shall release money withheld under this subsection after the department of treasury approves the enhanced deficit elimination plan for the district or intermediate district. To assure greater coordination and effective partnerships in the development and implementation of an enhanced deficit elimination plan, when administering this subsection, the department of treasury shall consult with all of the following:

(a) The department.

(b) The chief administrative officer of the district or intermediate district required to submit an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220.

(c) For a district required to submit an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, the intermediate superintendent of the intermediate district in which the district is located.

(4) An allocation to a district or intermediate district under this article is contingent upon the district's or intermediate district's compliance with this section.

(5) As used in this section:

(a) "Deficit elimination plan" means a plan required under section 1220 of the revised school code, MCL 380.1220, for the elimination of a deficit that sets forth actions to be taken to eliminate the deficit within the time period prescribed by the department.

(b) "Deficit fund balance" means that term as defined in the Michigan public school accounting manual published by the department.

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(c) "Enhanced deficit elimination plan" means measures required by the state treasurer under section 1220 of the revised school code, MCL 380.1220, to address the financial conditions within a district or intermediate district and resolve any deficit within the time period prescribed by the department and the state treasurer.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1979, Act 138, Imd. Eff. Nov. 7, 1979 ;-- Am. 1980, Act 52, Imd. Eff. Mar. 27, 1980 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 136, Imd. Eff. Apr. 27, 1982 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 55, Imd. Eff. May 16, 1983 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2015, Act 112, Imd. Eff. July 7, 2015

Compiler's Notes: Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."

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388.1702d Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to school data analytical tools.

388.1703 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to pupil to teacher ratio.

388.1704 Compliance with state and federal law; inclusion of item analysis in M-STEP results; number of enrolled students; distribution of federal funds; use of external keyboard with tablet devices; payment schedule determined by department; online reporting tool to provide student-level assessment data; definitions.

Sec. 104.

(1) 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 2025-2026 $40,000,000.00, and there is allocated for 2026-2027 $44,500,000.00, 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 2025-2026 an amount estimated at $8,000,000.00 and for 2026-2027 an amount estimated at $100.00 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 education flexibility partnership act of 1999, Public Law 106-25.

(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 $500,000.00 for 2025-2026 and 2026-2027 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.

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History: Add. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 29, Imd. Eff. Feb. 24, 2012 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 149, Imd. Eff. Aug. 20, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

Compiler's Notes: Former MCL 388.1704, which pertained to student portfolios, was repealed by Act 300 of 1996, Eff. Oct. 1, 1996.Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year

2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 112 of 2008 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at $11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,346,293,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."

388.1704a Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to the implementation of a benchmark assessment system.

388.1704b Repealed. 2026, Act 11, Eff. June 30, 2026

Compiler's Notes: The repealed section pertained to administration of the Michigan merit examination.

388.1704c State assessments as condition for receipt of state aid; M-STEP assessments in English language arts and mathematics; summative assessment system; benchmark assessments; interim assessments; "English language arts" defined.

Sec. 104c.

(1) In order to receive state aid under this article, a district shall administer the state assessments described in this section.

(2) For the purposes of this section, the department shall develop and administer the Michigan student test of educational progress (M-STEP) assessments in English language arts and mathematics. These assessments shall be aligned to state standards.

(3) For the purposes of this section, the department shall implement a summative assessment system that is proven to be valid and reliable for administration to pupils as provided under this subsection. The summative assessment system must meet all of the following requirements:

(a) The summative assessment system must measure student proficiency on the current state standards, must measure student growth for consecutive grade levels in which students are assessed in the same subject area in both grade levels, and must be capable of measuring individual student performance.

(b) The summative assessments for English language arts and mathematics must be administered to all public school pupils in grades 3 to 11, including those pupils as required by the individuals with disabilities education act, Public Law 108-446, and by title I of the every student succeeds act, Public Law 114-95.

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(c) The summative assessments for science must be administered to all public school pupils in at least grades 5 and 8, including those pupils as required by the individuals with disabilities education act, Public Law 108-446, and by title I of the every student succeeds act, Public Law 114-95.

(d) The summative assessments for social studies must be administered to all public school pupils in at least grades 5 and 8, including those pupils as required by the individuals with disabilities education act, Public Law 108-446, and by title I of the every student succeeds act, Public Law 114-95.

(e) The content of the summative assessments must be aligned to state standards.

(f) The pool of questions for the summative assessments must be subject to a transparent review process for quality, bias, and sensitive issues involving educator review and comment. The department shall post samples from tests or retired tests featuring questions from this pool for review by the public.

(g) The summative assessment system must ensure that students, parents, and teachers are provided with reports that convey individual student proficiency and growth on the assessment and that convey individual student domain-level performance in each subject area, including representative questions, and individual student performance in meeting state standards.

(h) The summative assessment system must be capable of providing, and the department shall ensure that students, parents, teachers, administrators, and community members are provided with, reports that convey aggregate student proficiency and growth data by teacher, grade, school, and district.

(i) The summative assessment system must ensure the capability of reporting the available data to support educator evaluations.

(j) The summative assessment system must ensure that the reports provided to districts containing individual student data are available within 60 days after completion of the assessments.

(k) The summative assessment system must ensure that access to individually identifiable student data meets all the following:

(i) Is in compliance with 20 USC 1232g, commonly referred to as the family educational rights and privacy act of 1974.

(ii) Except as may be provided for in an agreement with a vendor to provide assessment services, as necessary to support educator evaluations pursuant to subdivision (i), or for research or program evaluation purposes, is available only to the student; to the student's parent or legal guardian; and to a school administrator or teacher, to the extent that he or she has a legitimate educational interest.

(l) The summative assessment system must ensure that the assessments are pilot tested before statewide implementation.

(m) The summative assessment system must ensure that assessments are designed so that the maximum total combined length of time that schools are required to set aside for a pupil to answer all test questions on all assessments that are part of the system for the pupil's grade level does not exceed that maximum total combined length of time for the previous statewide assessment system or 9 hours, whichever is less. This subdivision does not limit the amount of time a district may allow a pupil to complete a test.

(n) The total cost of executing the summative assessment system statewide each year, including, but not limited to, the cost of contracts for administration, scoring, and reporting, must not exceed an amount equal to 2 times the cost of executing the previous statewide assessment after adjustment for inflation.

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(o) The summative assessment system must not require more than 3 hours in duration, on average, for an individual pupil to complete the combined administration of the math and English language arts portions of the assessment for any 1 grade level.

(p) The summative assessments for English language arts and mathematics for pupils in grades 8 to 10 must be aligned to the college entrance test portion of the Michigan merit examination required under section 1279g of the revised school code, MCL 380.1279g.

(4) The department shall offer benchmark assessments in the fall and spring of each school year to measure English language arts and mathematics in each of grades K to 2. Full implementation must occur not later than the 2019-2020 school year. These assessments are necessary to determine a pupil's proficiency level before grade 3.

(5) This section does not prohibit districts from adopting interim assessments.

(6) As used in this section, "English language arts" means that term as defined in section 1279g of the revised school code, MCL 380.1279g.

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History: Add. 2014, Act 196, Imd. Eff. June 24, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2016, Act 313, Eff. Oct. 6, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2026, Act 11, Eff. June 30, 2026

388.1704d Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to purchase of computer-adaptive test or diagnostic tools, screening tools, or benchmark assessments; reimbursement and reporting.

388.1704e Repealed. 2018, Act 265, Eff. Oct. 1, 2018.

Compiler's Notes: The repealed section pertained to assessment digital literacy preparation pilot project.

388.1704f Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an allocation for an assessment digital literacy preparation program for K to 8.

388.1704g Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to SAT and PSAT availability requirements for pupils during the 2020-2021 school year.

***** 388.1704h THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1704h.amended *****

388.1704h Implementation of a benchmark assessment system.

Sec. 104h.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2025-2026 an amount not to exceed $11,500,000.00 to districts to implement benchmark assessments during the 2025-2026 school year. All of the following apply to the benchmark assessment system described in this subsection:

(a) The system must provide for all of the following:

(i) That, within the first 9 weeks of the 2025-2026 school year, the district shall administer 1 or more benchmark assessments provided by a provider approved under subsection (6), benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.

(ii) That, in addition to the benchmark assessment or benchmark assessments administered under subparagraph (i), by not later than the last day of the 2025-2026 school year, the district shall administer the benchmark assessment or assessments administered under subparagraph (i) to all pupils in grades K to 8 to measure proficiency in reading and mathematics. To support fall to spring growth calculations, the same benchmark assessment that is administered in the fall must be administered in the spring.

(b) Except as otherwise provided in this section, a district may administer 1 or more of the following benchmark assessments toward meeting the requirements under subdivision (a):

(i) A benchmark assessment in reading for students in grades K to 9 that contains progress monitoring tools and enhanced diagnostic assessments.

(ii) A benchmark assessment in math for students in grades K to 8 that contains progress monitoring tools.

(c) The system must provide that, to the extent practicable, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall administer the same benchmark assessment or benchmark assessments provided by a provider approved under subsection (6), benchmark assessment or benchmark assessments described in subdivision (b), or local benchmark assessment or local benchmark assessments that it administered to pupils in previous school years, as applicable.

(d) The system must provide that, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall provide each pupil's data from the benchmark assessment or benchmark assessments, as available, to the pupil's parent or legal guardian within 30 days of administering the benchmark assessment or benchmark assessments.

(e) The system must provide that, if a local benchmark assessment or local benchmark assessments are administered under subdivision (a), the district shall report to the department, in a form and manner prescribed by the department, the local benchmark assessment or local benchmark assessments that were administered and how that assessment or those assessments measure changes, including any losses, as applicable, in learning, and the district's plan for addressing any losses in learning.

(f) The system must provide that, by not later than 30 days after a benchmark assessment or benchmark assessments are administered under subdivision (a)(ii), or within a time frame specified by the department, the district shall send benchmark assessment data, including grade level, student demographics, and mode of instruction, to the department in a form and manner prescribed by the department, from all benchmark assessments administered in the 2025-2026 school year, excluding data from a local benchmark assessment, as applicable. If available, the data described in this subdivision must include information concerning pupil growth from fall 2025 to spring 2026.

(2) To receive funding under this section, a district must do all of the following:

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

(b) Administer 1 or more of the benchmark assessments described in subsection (6), excluding the benchmark assessment described in subsection (4).

(c) Administer the same benchmark assessment or assessments in both the fall and spring, as required under this section.

(d) Meet all reporting requirements pertaining to assessment and mode-of-instruction data outlined in this section.

(3) Subject to subsection (2), the department shall pay an equal amount per membership pupil in grades K to 8 in the district to each district that applies for funding under this section.

(4) The department shall make 1 of the benchmark assessments provided by a provider approved under subsection (6) available to districts at no cost to the districts for purposes of meeting the requirements under this section. The benchmark assessment described in this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based assessment.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide timely feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide information to educators about student growth and allow for multiple testing opportunities.

(5) By not later than November 15 of each year subsequent to a year in which funding is appropriated under this section, the department shall submit a report to the house and senate appropriations committees, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies regarding the benchmark assessment data received under this section, disaggregated by grade level and demographic subgroup for each district. If information concerning pupil growth is included in the data described in this subsection, it must be incorporated in the report described in this subsection.

(6) The department shall approve at least 4 but not more than 6 providers of benchmark assessments for the purposes of this section. The department shall inform districts of all of the providers approved under this subsection in an equitable manner. The benchmark assessments, with the exclusion of the benchmark assessment described in subsection (4), provided by approved providers under this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based remote, in-person, or both remote and in-person assessment using a computer-adaptive model to target the instructional level of each pupil.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide immediate feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide multiple measures of growth and provide for multiple testing opportunities.

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History: Add. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1704h.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1704h.amended Implementation of a benchmark assessment system.

Sec. 104h.

(1) From the state school aid fund money appropriated under section 11, there is allocated for 2026-2027 an amount not to exceed $11,500,000.00 to districts to implement benchmark assessments during the 2026-2027 school year. All of the following apply to the benchmark assessment system described in this subsection:

(a) The system must provide for all of the following:

(i) That, within the first 9 weeks of the school year, the district shall administer 1 or more benchmark assessments provided by a provider approved under subsection (5), benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.

(ii) That, in addition to the benchmark assessment or benchmark assessments administered under subparagraph (i), by not later than the last day of the school year, the district shall administer the benchmark assessment or assessments administered under subparagraph (i) to all pupils in grades K to 8 to measure proficiency in reading and mathematics. To support fall to spring growth calculations, the same benchmark assessment that is administered in the fall must be administered in the last marking period of the school year.

(b) Except as otherwise provided in this section, a district may administer 1 or more of the following benchmark assessments toward meeting the requirements under subdivision (a):

(i) A benchmark assessment in reading for students in grades K to 9 that contains progress monitoring tools and enhanced diagnostic assessments.

(ii) A benchmark assessment in math for students in grades K to 8 that contains progress monitoring tools.

(c) The system must provide that, to the extent practicable, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall administer the same benchmark assessment or benchmark assessments provided by a provider approved under subsection (5), benchmark assessment or benchmark assessments described in subdivision (b), or local benchmark assessment or local benchmark assessments that it administered to pupils in previous school years, as applicable.

(d) The system must provide that, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall provide each pupil's data from the benchmark assessment or benchmark assessments, as available, to the pupil's parent or legal guardian within 30 days of administering the benchmark assessment or benchmark assessments.

(e) The system must provide that, if a local benchmark assessment or local benchmark assessments are administered under subdivision (a), the district shall report to the department, in a form and manner prescribed by the department, the local benchmark assessment or local benchmark assessments that were administered and how that assessment or those assessments measure changes, including any losses, as applicable, in learning, and the district's plan for addressing any losses in learning.

(2) To receive funding under this section, a district must do all of the following:

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

(b) Administer 1 or more of the benchmark assessments described in subsection (5), excluding the benchmark assessment described in subsection (4).

(c) Administer the same benchmark assessment or assessments in both the fall and spring, as required under this section.

(d) Meet all reporting requirements to parents and legal guardians as described in this section.

(3) Subject to subsection (2), the department shall pay an equal amount per membership pupil in grades K to 8 in the district to each district that applies for funding under this section.

(4) The department shall make 1 of the benchmark assessments provided by a provider approved under subsection (5) available to districts at no cost to the districts for purposes of meeting the requirements under this section. The benchmark assessment described in this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement this state's summative assessment system.

(c) Be internet-delivered and include a standards-based assessment.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide timely feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide information to educators about student growth and allow for multiple testing opportunities.

(h) Include a digital library of teaching resources that are tied directly to the benchmark assessment and aligned to this state's standards.

(5) The department shall approve at least 4 but not more than 6 providers of benchmark assessments for the purposes of this section. The department shall inform districts of all of the providers approved under this subsection in an equitable manner. The benchmark assessments, with the exclusion of the benchmark assessment described in subsection (4), provided by approved providers under this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based remote, in-person, or both remote and in-person assessment using a computer-adaptive model to target the instructional level of each pupil.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide immediate feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide multiple measures of growth and provide for multiple testing opportunities.

History: Add. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1704i Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

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Compiler's Notes: The repealed section pertained to the implementation of a benchmark assessment system for 2023-2024 K to 8 pupils.

388.1705 Counting nonresident pupils in membership; application for enrollment; procedures.

Sec. 105.

(1) In order to avoid a penalty under this section, and in order to count a nonresident pupil residing within the same intermediate district in membership without the approval of the pupil's district of residence, a district must comply with this section.

(2) Except as otherwise provided in this section, a district shall determine whether or not it will accept applications for enrollment by nonresident applicants residing within the same intermediate district for the next school year. If the district determines to accept applications for enrollment of a number of nonresidents, beyond those entitled to preference under this section, the district shall use the following procedures for accepting applications from and enrolling nonresidents:

(a) The district shall publish the grades, schools, and special programs, if any, for which enrollment may be available to, and for which applications will be accepted from, nonresident applicants residing within the same intermediate district.

(b) If the district has a limited number of positions available for nonresidents residing within the same intermediate district in a grade, school, or program, all of the following apply to accepting applications for and enrollment of nonresidents in that grade, school, or program:

(i) The district shall do all of the following not later than the second Friday in August:

(A) Provide notice to the general public that applications will be taken for a period of at least 15 calendar days but not more than 30 calendar days from nonresidents residing within the same intermediate district for enrollment in that grade, school, or program. The notice must identify the dates of the application period and the place and manner for submitting applications.

(B) During the application period under sub-subparagraph (A), accept applications from nonresidents residing within the same intermediate district for enrollment in that grade, school, or program.

(C) Within 15 calendar days after the end of the application period under sub-subparagraph (A), using the procedures and preferences required under this section, determine which nonresident applicants will be allowed to enroll in that grade, school, or program, using the random draw system required under subsection (13) as necessary, and notify the parent or legal guardian of each nonresident applicant of whether or not the applicant may enroll in the district. The notification to parents or legal guardians of nonresident applicants accepted for enrollment must contain notification of the date by which the applicant must enroll in the district and procedures for enrollment. The date for enrollment must be no later than the end of the first week of school.

(ii) Beginning on the third Monday in August and not later than the end of the first week of school, if any positions become available in a grade, school, or program due to accepted applicants failing to enroll or to more positions being added, the district may enroll nonresident applicants from the waiting list maintained under subsection (13), offering enrollment in the order that applicants appear on the waiting list. If there are still positions available after enrolling all applicants from the waiting list who desire to enroll, the district

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may not fill those positions until the second semester or trimester enrollment under subsection (3), as provided under that subsection, or until the next school year.

(c) For a grade, school, or program that has an unlimited number of positions available for nonresidents residing within the same intermediate district, all of the following apply to enrollment of nonresidents in that grade, school, or program:

(i) The district may accept applications for enrollment in that grade, school, or program, and may enroll nonresidents residing within the same intermediate district in that grade, school, or program until the end of the first week of school. The district shall provide notice to the general public of the place and manner for submitting applications and, if the district has a limited application period, the notice must include the dates of the application period. The application period shall be at least a 15-calendar-day period.

(ii) Not later than the end of the first week of school, the district shall notify the parent or legal guardian of each nonresident applicant who is accepted for enrollment that the applicant has been accepted for enrollment in the grade, school, or program and of the procedures for enrollment. The date for enrollment must be no later than the end of the first week of school.

(3) If a district determines during the first semester or trimester of a school year that it has positions available for enrollment of a number of nonresidents residing within the same intermediate district, beyond those entitled to preference under this section, for the second semester or trimester of the school year, the district may accept applications from and enroll nonresidents residing within the same intermediate district for the second semester or trimester using the following procedures:

(a) Not later than 2 weeks before the end of the first semester or trimester, the district shall publish the grades, schools, and special programs, if any, for which enrollment for the second semester or trimester may be available to, and for which applications will be accepted from, nonresident applicants residing within the same intermediate district.

(b) During the last 2 weeks of the first semester or trimester, the district shall accept applications from nonresidents residing within the same intermediate district for enrollment for the second semester or trimester in the available grades, schools, and programs.

(c) By the beginning of the second semester or trimester, using the procedures and preferences required under this section, the district shall determine which nonresident applicants will be allowed to enroll in the district for the second semester or trimester and notify the parent or legal guardian of each nonresident applicant residing within the same intermediate district of whether or not the applicant may enroll in the district. The notification to parents or legal guardians of nonresident applicants accepted for enrollment must contain notification of the date by which the applicant must enroll in the district and procedures for enrollment. The date for enrollment must be no later than the end of the first week of school.

(4) If deadlines similar to those described in subsection (2) or (3) have been established in an intermediate district, and if those deadlines are not later than the deadlines under subsection (2) or (3), the districts within the intermediate district may use those deadlines.

(5) A district offering to enroll nonresident applicants residing within the same intermediate district may limit the number of nonresident pupils it accepts in a grade, school, or program, at its discretion, and may use that limit as the reason for refusal to enroll an applicant.

(6) A nonresident applicant residing within the same intermediate district must not be granted or refused enrollment based on intellectual, academic, artistic, or other ability, talent, or accomplishment, or lack thereof, or based on a mental or physical disability, except that a district may refuse to admit a nonresident applicant if the applicant does not meet the same criteria, other than residence, that an applicant who is a resident of the district must meet to be

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accepted for enrollment in a grade or a specialized, magnet, or intra-district choice school or program to which the applicant applies.

(7) A nonresident applicant residing within the same intermediate district must not be granted or refused enrollment based on age, except that a district may refuse to admit a nonresident applicant applying for a program that is not appropriate for the age of the applicant.

(8) A nonresident applicant residing within the same intermediate district must not be granted or refused enrollment based upon religion, race, color, national origin, sex, height, weight, marital status, or athletic ability, or, generally, in violation of any state or federal law prohibiting discrimination.

(9) Subject to subsection (10), a district may refuse to enroll a nonresident applicant if any of the following are met:

(a) The applicant is, or has been within the preceding 2 years, suspended from another school.

(b) The applicant, at any time before enrolling under this section, has been expelled from another school.

(c) The applicant, at any time before enrolling under this section, has been convicted of a felony.

(10) If a district has counted a pupil in membership on either the pupil membership count day or the supplemental count day, the district shall not refuse to enroll or refuse to continue to enroll that pupil for a reason specified in subsection (9). This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(11) A district shall continue to allow a pupil who was enrolled in and attended the district under this section in the school year or semester or trimester immediately preceding the school year or semester or trimester in question to enroll in the district until the pupil graduates from high school. This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(12) A district shall give preference for enrollment under this section over all other nonresident applicants residing within the same intermediate district to other school-age children who reside in the same household as a pupil described in subsection (11).

(13) If the number of qualified nonresident applicants eligible for acceptance in a school, grade, or program does not exceed the positions available for nonresident pupils in the school, grade, or program, the school district shall accept for enrollment all of the qualified nonresident applicants eligible for acceptance. If the number of qualified nonresident applicants residing within the same intermediate district eligible for acceptance exceeds the positions available in a grade, school, or program in a district for nonresident pupils, the district shall use a random draw system, subject to the need to abide by state and federal antidiscrimination laws and court orders and subject to preferences allowed by this section. The district shall develop and maintain a waiting list based on the order in which nonresident applicants were drawn under this random draw system.

(14) If a district, or the nonresident applicant, requests the district in which a nonresident applicant resides to supply information needed by the district for evaluating the applicant's application for enrollment or for enrolling the applicant, the district of residence shall provide that information on a timely basis.

(15) If a district is subject to a court-ordered desegregation plan, and if the court issues an order prohibiting pupils residing in that district from enrolling in another district or prohibiting pupils residing in another district from enrolling in that district, this section is subject to the court order.

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(16) This section does not require a district to provide transportation for a nonresident pupil enrolled in the district under this section or for a resident pupil enrolled in another district under this section. However, at the time a nonresident pupil enrolls in the district, a district shall provide to the pupil's parent or legal guardian information on available transportation to and from the school in which the pupil enrolls.

(17) A district may participate in a cooperative education program with 1 or more other districts or intermediate districts whether or not the district enrolls any nonresidents under this section.

(18) A district that, under this section, enrolls a nonresident pupil 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, is considered to be the resident district of the pupil for the purpose of providing the pupil with a free appropriate public education. Consistent with state and federal law, that district is responsible for developing and implementing an individualized education program annually for a nonresident pupil described in this subsection.

(19) If a district does not comply with this section, the district forfeits 5% of the total state school aid allocation to the district under this act.

(20) Upon application by a district, the superintendent may grant a waiver for the district from a specific requirement under this section for not more than 1 year.

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History: Add. 1996, Act 300, Imd. Eff. June 19, 1996 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021

Compiler's Notes: Former MCL 388.1705, which pertained to age of pupils counted in membership, was repealed by Act 175 of 1993, Eff. Oct. 1, 1993.Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."

388.1705a Repealed. 2006, Act 342, Eff. Oct. 1, 2006.

Compiler's Notes: The repealed section pertained to counting nonresident pupils in membership.

388.1705b Repealed. 2021, Act 48, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to intermediate districts operating under pilot schools of choice program.

388.1705c Enrollment by nonresident applicants residing in district located in a contiguous intermediate district.

Sec. 105c.

(1) In order to avoid a penalty under this section, and in order to count a nonresident pupil residing in a district located in a contiguous intermediate district in membership without the approval of the pupil's district of residence, a district must comply with this section.

(2) Except as otherwise provided in this section, a district shall determine whether or not it will accept applications for enrollment by nonresident applicants residing in a district located in a contiguous intermediate district for the next school year. If the district determines to accept applications for enrollment of a number of nonresidents under this section, beyond those entitled to preference under this section, the district shall use the following procedures for accepting applications from and enrolling nonresidents under this section:

(a) The district shall publish the grades, schools, and special programs, if any, for which enrollment may be available to, and for which applications will be accepted from, nonresident applicants residing in a district located in a contiguous intermediate district.

(b) If the district has a limited number of positions available for nonresidents residing in a district located in a contiguous intermediate district in a grade, school, or program, all of the following apply to accepting applications for and enrollment of nonresidents under this section in that grade, school, or program:

(i) The district shall do all of the following not later than the second Friday in August:

(A) Provide notice to the general public that applications will be taken for a period of at least 15 calendar days but not more than 30 calendar days from nonresidents residing in a district located in a contiguous intermediate district for enrollment in that grade, school, or program. The notice must identify the dates of the application period and the place and manner for submitting applications.

(B) During the application period under sub-subparagraph (A), accept applications from nonresidents residing in a district located in a contiguous intermediate district for enrollment in that grade, school, or program.

(C) Within 15 calendar days after the end of the application period under sub-subparagraph (A), using the procedures and preferences required under this section, determine which nonresident applicants will be allowed to enroll under this section in that grade, school, or program, using the random draw system required under subsection (13) as necessary, and notify the parent or legal guardian of each nonresident applicant of whether or not the applicant may enroll in the district. The notification to parents or legal guardians of nonresident applicants accepted for enrollment under this section must contain notification of the date by which the applicant must enroll in the district and procedures for enrollment. The date for enrollment must be no later than the end of the first week of school.

(ii) Beginning on the third Monday in August and not later than the end of the first week of school, if any positions become available in a grade, school, or program due to accepted applicants failing to enroll or to more positions being added, the district may enroll nonresident applicants from the waiting list maintained under subsection (13), offering enrollment in the order that applicants appear on the waiting list. If there are still positions available after enrolling all applicants from the waiting list who desire to enroll, the district

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may not fill those positions until the second semester or trimester enrollment under subsection (3), as provided under that subsection, or until the next school year.

(c) For a grade, school, or program that has an unlimited number of positions available for nonresidents residing in a district located in a contiguous intermediate district, all of the following apply to enrollment of nonresidents in that grade, school, or program under this section:

(i) The district may accept applications for enrollment in that grade, school, or program, and may enroll nonresidents residing in a district located in a contiguous intermediate district in that grade, school, or program until the end of the first week of school. The district shall provide notice to the general public of the place and manner for submitting applications and, if the district has a limited application period, the notice must include the dates of the application period. The application period must be at least a 15-calendar-day period.

(ii) Not later than the end of the first week of school, the district shall notify the parent or legal guardian of each nonresident applicant who is accepted for enrollment under this section that the applicant has been accepted for enrollment in the grade, school, or program and of the date by which the applicant must enroll in the district and the procedures for enrollment. The date for enrollment must be no later than the end of the first week of school.

(3) If a district determines during the first semester or trimester of a school year that it has positions available for enrollment of a number of nonresidents residing in a district located in a contiguous intermediate district, beyond those entitled to preference under this section, for the second semester or trimester of the school year, the district may accept applications from and enroll nonresidents residing in a district located in a contiguous intermediate district for the second semester or trimester using the following procedures:

(a) Not later than 2 weeks before the end of the first semester or trimester, the district shall publish the grades, schools, and special programs, if any, for which enrollment for the second semester or trimester may be available to, and for which applications will be accepted from, nonresident applicants residing in a district located in a contiguous intermediate district.

(b) During the last 2 weeks of the first semester or trimester, the district shall accept applications from nonresidents residing in a district located in a contiguous intermediate district for enrollment for the second semester or trimester in the available grades, schools, and programs.

(c) By the beginning of the second semester or trimester, using the procedures and preferences required under this section, the district shall determine which nonresident applicants will be allowed to enroll under this section in the district for the second semester or trimester and notify the parent or legal guardian of each nonresident applicant residing in a district located in a contiguous intermediate district of whether or not the applicant may enroll in the district. The notification to parents or legal guardians of nonresident applicants accepted for enrollment must contain notification of the date by which the applicant must enroll in the district and procedures for enrollment. The date for enrollment must be no later than the end of the first week of school.

(4) If deadlines similar to those described in subsection (2) or (3) have been established in an intermediate district, and if those deadlines are not later than the deadlines under subsection (2) or (3), the districts within the intermediate district may use those deadlines.

(5) A district offering to enroll nonresident applicants residing in a district located in a contiguous intermediate district may limit the number of those nonresident pupils it accepts in a grade, school, or program, at its discretion, and may use that limit as the reason for refusal to enroll an applicant under this section.

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(6) A nonresident applicant residing in a district located in a contiguous intermediate district must not be granted or refused enrollment based on intellectual, academic, artistic, or other ability, talent, or accomplishment, or lack thereof, or based on a mental or physical disability, except that a district may refuse to admit a nonresident applicant under this section if the applicant does not meet the same criteria, other than residence, that an applicant who is a resident of the district must meet to be accepted for enrollment in a grade or a specialized, magnet, or intra-district choice school or program to which the applicant applies.

(7) A nonresident applicant residing in a district located in a contiguous intermediate district must not be granted or refused enrollment under this section based on age, except that a district may refuse to admit a nonresident applicant applying for a program that is not appropriate for the age of the applicant.

(8) A nonresident applicant residing in a district located in a contiguous intermediate district must not be granted or refused enrollment under this section based upon religion, race, color, national origin, sex, height, weight, marital status, or athletic ability, or, generally, in violation of any state or federal law prohibiting discrimination.

(9) Subject to subsection (10), a district may refuse to enroll a nonresident applicant under this section if any of the following are met:

(a) The applicant is, or has been within the preceding 2 years, suspended from another school.

(b) The applicant, at any time before enrolling under this section, has been expelled from another school.

(c) The applicant, at any time before enrolling under this section, has been convicted of a felony.

(10) If a district has counted a pupil in membership on either the pupil membership count day or the supplemental count day, the district shall not refuse to enroll or refuse to continue to enroll that pupil for a reason specified in subsection (9). This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(11) A district shall continue to allow a pupil who was enrolled in and attended the district under this section in the school year or semester or trimester immediately preceding the school year or semester or trimester in question to enroll in the district until the pupil graduates from high school. This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(12) A district shall give preference for enrollment under this section over all other nonresident applicants residing in a district located in a contiguous intermediate district to other school-age children who reside in the same household as a pupil described in subsection (11).

(13) If the number of qualified nonresident applicants eligible for acceptance under this section in a school, grade, or program does not exceed the positions available for nonresident pupils under this section in the school, grade, or program, the school district shall accept for enrollment all of the qualified nonresident applicants eligible for acceptance. If the number of qualified nonresident applicants residing in a district located in a contiguous intermediate district eligible for acceptance under this section exceeds the positions available in a grade, school, or program in a district for nonresident pupils, the district shall use a random draw system, subject to the need to abide by state and federal antidiscrimination laws and court orders and subject to preferences allowed by this section. The district shall develop and maintain a waiting list based on the order in which nonresident applicants were drawn under this random draw system.

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(14) If a district, or the nonresident applicant, requests the district in which a nonresident applicant resides to supply information needed by the district for evaluating the applicant's application for enrollment or for enrolling the applicant under this section, the district of residence shall provide that information on a timely basis.

(15) If a district is subject to a court-ordered desegregation plan, and if the court issues an order prohibiting pupils residing in that district from enrolling in another district or prohibiting pupils residing in another district from enrolling in that district, this section is subject to the court order.

(16) This section does not require a district to provide transportation for a nonresident pupil enrolled in the district under this section or for a resident pupil enrolled in another district under this section. However, at the time a nonresident pupil enrolls in the district, a district shall provide to the pupil's parent or legal guardian information on available transportation to and from the school in which the pupil enrolls.

(17) A district may participate in a cooperative education program with 1 or more other districts or intermediate districts whether or not the district enrolls any nonresidents pursuant to this section.

(18) In order for a district or intermediate district to enroll under this section a nonresident pupil who resides in a district located in a contiguous intermediate district and who is eligible for special education programs and services according to statute or rule, or who is a child with disabilities, as defined under the individuals with disabilities education act, Public Law 108-446, the enrolling district shall have a written agreement with the resident district of the pupil for the purpose of providing the pupil with a free appropriate public education. The written agreement must include, but is not limited to, an agreement on the responsibility for the payment of the added costs of special education programs and services for the pupil. The written agreement must address how the agreement must be amended in the event of significant changes in the costs or level of special education programs or services required by the pupil.

(19) If a district does not comply with this section, the district forfeits 5% of the total state school aid allocation to the district under this act.

(20) Upon application by a district, the superintendent may grant a waiver for the district from a specific requirement under this section for not more than 1 year.

(21) This section is repealed if the final decision of a court of competent jurisdiction holds that any portion of this section is unconstitutional, ineffective, invalid, or in violation of federal law.

(22) As used in this section, "district located in a contiguous intermediate district" means a district located in an intermediate district that is contiguous to the intermediate district in which a pupil's district of residence is located.

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History: Add. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated

at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."

388.1706 Pupils not counted in membership.

Sec. 106.

A pupil enrolled in a public school program organized under federal or state supervision and in which the teaching costs are fully subsidized from federal or state funds shall not be counted in membership.

History: 1979, Act 94, Eff. Oct. 1, 1979

***** 388.1707 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1707.amended *****

388.1707 Adult education programs; eligibility requirements; calculation of payments; definitions.

Sec. 107.

(1) From the state school aid fund appropriation in section 11, there is allocated an amount not to exceed $32,913,600.00 for 2025-2026 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 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

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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.

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(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:

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(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, Public Law 113-128.

(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) 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.

(15) From the amount appropriated in subsection (1), an amount not to exceed $4,000,000.00 is allocated for 2025-2026 to approved adult education programs that connect adult education participants with employers as provided under this subsection. The department shall determine regional planning allocations under this subsection 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 in the same proportion as funding calculated and

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allocated under subsection (4). Funds not fully utilized within a region may be transferred to other regions as appropriate. To be eligible for funding under this subsection, a program must provide a collaboration linking adult education programs within the county, state-approved career and technical education programs, 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 through a career and technical education program. 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 through a career and technical education program 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 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) By 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.

(17) 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 before enrollment in an eligible career and technical skills program under subsection (15). Up to 10% 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%.

(18) The department shall approve at least 2 high school equivalency tests and determine whether a high school equivalency certificate meets the requisite standards for high school equivalency in this state.

(19) 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.

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(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 postsecondary credential.

(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.

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History: Add. 1996, Act 300, Imd. Eff. June 19, 1996 ;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 139, Eff. Oct. 7, 2015 ;-- Am. 2016, Act 56, Eff. June 27, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Former MCL 388.1707, which pertained to adult education programs, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.In subsection (1), as amended by Act 121 of 2001, the phrase “and for 2002-2003” was vetoed by the governor September 28, 2001.In subdivision (3)(a), as amended by Act 121 of 2001, the phrase “and 2002-2003” was vetoed by the governor September 28, 2001.In subdivision (3)(b), as amended by Act 121 of 2001, the phrase “and for 2002-2003” was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Subsection (16), as amended by Act 158 of 2003, was vetoed by the governor on August 11, 2003.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with

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***** 388.1707.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1707.amended Adult education programs; eligibility requirements; calculation of payments; definitions.

Sec. 107.

(1) From the state school aid fund appropriation in section 11, there is allocated an amount not to exceed $42,525,000.00 for 2026-2027 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 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

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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.

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(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, Public Law 113-128.

(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.

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(14) 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.

(15) From the amount appropriated in subsection (1), an amount not to exceed $4,000,000.00 is allocated for 2026-2027 to approved adult education programs that connect adult education participants with employers as provided under this subsection. The department shall determine regional planning allocations under this subsection 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 in the same proportion as funding calculated and allocated under subsection (4). Funds not fully utilized within a region may be transferred to other regions as appropriate. To be eligible for funding under this subsection, a program must provide a collaboration linking adult education programs within the county, state-approved career and technical education programs, 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 through a career and technical education program. 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 through a career and technical education program 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 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) By 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.

(17) 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 before enrollment in an eligible career and technical skills program under subsection (15). Up to 10% 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

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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%.

(18) The department shall approve at least 2 high school equivalency tests and determine whether a high school equivalency certificate meets the requisite standards for high school equivalency in this state.

(19) 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 postsecondary credential.

(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.

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History: Add. 1996, Act 300, Imd. Eff. June 19, 1996 ;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2015, Act 139, Eff. Oct. 7, 2015 ;-- Am. 2016, Act 56, Eff. June 27, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;--

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In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources on state 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 2015 PA 85 and this amendatory act for fiscal year 2015-2016 is estimated at $12,124,885,100.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2015-2016 are estimated at $11,967,255,600.00."

388.1707a Repealed. 2026, Act 25, Imd. Eff. July 21, 2026

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Compiler's Notes: The repealed section pertained to funds for the creation of postsecondary adult education innovation programs.

388.1707b Repealed. 2005, Act 155, Eff. Oct. 1, 2005.

Compiler's Notes: The repealed section pertained to adult learning system pilot project.

388.1707c, 388.1707d Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to literacy project grants and adult education categorical grants.

388.1707e Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to adult education programs.

388.1707f Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to adult education programs.

388.1708 Repealed. 2004, Act 351, Eff. Oct. 1, 2004.

Compiler's Notes: The repealed section pertained to adult learning programs.

388.1709 Providing appropriate instructional services to pupil requiring hospitalization or confinement at home.

Sec. 109.

(1) Subject to subsection (2), in order to receive funds under this article, each district or intermediate district shall provide appropriate instructional services, as determined by the district or intermediate district, to an enrolled pupil who is certified by the pupil's attending physician as having a medical condition that requires the pupil to be hospitalized or confined to his or her home during regular school hours and that is expected to require the hospitalization or confinement for a period longer than 5 school days. The district or intermediate district may provide the services itself or may contract with an intermediate district, a hospital, a treatment center, or another district to provide the services. In choosing a provider for the instructional services, the district or intermediate district shall consider which of those potential providers is best able to deliver the appropriate instructional services. The district or intermediate district shall pay reasonable costs as agreed upon between the district or intermediate district and the provider for services provided to a pupil under this section.

(2) A district or intermediate district is required to provide instructional services under subsection (1) to a pupil placed in a hospital, treatment center, or other treatment facility without the district's or intermediate district's prior knowledge only if the district or intermediate district is notified of the pupil's placement by the hospital, treatment center,

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facility, or the pupil's parent or legal guardian. Upon being notified, the district or intermediate district shall make arrangements to provide instructional services under subsection (1) within 3 school days after being notified.

(3) Not later than October 15 of each odd-numbered year, the department shall prepare and distribute electronically to each district and intermediate district and make available on its website an explanation of the operation of this section and the respective duties of all affected parties. The department shall provide a copy of the explanation electronically to any other person upon request.

History: Add. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011

388.1711 Tuition rates; computation; uniformity.

Sec. 111.

A district having tuition pupils enrolled on the pupil membership count day of each year may charge the district of residence an amount for tuition that does not exceed the tuition rate computed under section 1401 of the revised school code, MCL 380.1401. The rate charged by a district shall be uniform within each category of tuition pupils enrolled in the district. However, for a tuition pupil who resides in a K-5, K-6, or K-8 district and who is enrolled in a grade not offered by the pupil's district of residence, the tuition rate charged to the pupil's district of residence shall not exceed the foundation allowance of the pupil's district of residence or the foundation allowance of the educating district, whichever is greater. A district receiving funds under this act shall not charge tuition to the parent or legal guardian of a pupil enrolled in the district as a nonresident pupil.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 4, Imd. Eff. Mar. 27, 1985 ;-- Am. 1986, Act 97, Imd. Eff. May 14, 1986 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1995 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: In his veto message relative to Enrolled House Bill 4572, which became Act 118 of 1991, the governor stated that "the tradition of not re-enacting annually the unchanged appropriation sections of the school aid act is constitutionally flawed. It assumes the invalid creation of a continuing appropriation. Therefore, the following sections of the school aid act and their associated allocations must be considered inoperative: 24, 55, 74, 75, 105a, 111, and 116. These sections will be treated as excluded from the current bill... ."

388.1712 Full-day kindergarten; tuition or fee prohibited.

Sec. 112.

A district receiving funds under this act shall not charge tuition or any other fee for full-day kindergarten for a pupil who is eligible to enroll in the district.

History: Add. 1997, Act 93, Eff. Oct. 1, 1997

388.1713 Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to pupils residing in juvenile or detention home and attending school by court direction.

388.1716 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to American Indian pupils.

388.1717 Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to charging legal amount of tuition as requirement for allotment or payment.

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388.1718 Conditions for allotment or payment; failure to pay full amount; remittance; deduction from school aid.

Sec. 118.

(1) Subject to subsection (3), a district shall not be allotted or paid a sum under this act unless that district pays the agreed-upon amount of tuition or other payment for pupils educated outside the boundaries of the pupil's district of residence.

(2) A district that sends pupils to 1 or more districts, that is legally liable for the payment of the amount described in subsection (1), and that fails to pay that amount in full before April 1 of each year shall remit the full amount owed to the receiving district before making any other financial expenditure or commitment for the next school fiscal year.

(3) The department shall not deduct any amount from a district's state school aid pursuant to this section unless the receiving district demonstrates to the satisfaction of the department, not later than April 30 of the same fiscal year, that the liable district has not paid the required amount as described in subsection (2).

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995

388.1721 Valuation of district; adjustments.

Sec. 121.

(1) The valuation of a whole or fractional district must 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 must 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 must 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) An adjustment pursuant to a state tax tribunal decision or court decision must be made for the tax years involved in the decision and any subsequent years affected by the decision.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

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388.1721a Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to state education tax.

388.1722 Deducting valuation of property from valuation of district; condition; credit as lien; payment of school aid fund.

Sec. 122.

The valuation of property assessed under Act No. 189 of the Public Acts of 1953, as amended, being sections 211.181 to 211.182 of the Michigan Compiled Laws, shall be deducted from the total valuation of a district if school taxes levied against the property are not collected from the lessee or user of the property. The credit so obtained by a district in the calculation of payments to the district under this act shall remain a lien against the district and shall be paid by the district to the school aid fund when the taxes are collected.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994

388.1724 Reducing valuation of district when taxes paid under certain conditions; credits as lien against district; payment to school aid fund; implementation of subsection (2).

Sec. 124.

(1) If taxes levied for operating purposes against property constituting at least 5% of the valuation of a district are paid under protest and, therefore, are unavailable to the district, the total valuation of the district for the purposes of this act shall be reduced by the valuation of the property. The credits so obtained by a district in the calculation of payments to the district under this act shall remain a lien against the district and shall be paid by the district to the school aid fund when the taxes are collected.

(2) If taxes levied for operating purposes against property constituting at least 5% of the valuation of a district are not paid by a single bankrupt debtor that files for reorganization under chapter 11 of title 11 of the United States Code, 11 U.S.C. 1101 to 1174, and, therefore, are unavailable to the district, the total valuation of the district for the purposes of this act shall be reduced by the valuation of the property. The credits so obtained by a district in the calculation of payments to the district under this act shall remain a lien against the district and shall be paid by the district to the school aid fund when the taxes are collected. This subsection shall be implemented upon verification by the department that the district has taken proper action to attempt to secure payment of taxes by the bankrupt debtor.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1987, Act 17, Imd. Eff. Apr. 24, 1987 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Imd. Eff. June 30, 1995 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997

388.1743-388.1744a Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to amounts allocated to eligible districts, allocations to applicants sustaining SEV reduction due to listing of forest land, deductions of amounts, and sources of revenue.

388.1745 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to state share of desegregation costs.

388.1746 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to social security and medicare obligations.

388.1746a Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to payments to districts for social security and medicare.

***** 388.1747 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1747.amended *****

388.1747 Allocations to public school employees' retirement system; contribution rates.

Sec. 147.

(1) The allocation for 2025-2026 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 2025-2026 fiscal year, as determined by the retirement system, are estimated as follows:

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(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 44.93% with 29.91% 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 40.19% with 25.17% 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 36.36% with 21.34% 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 30.23% with 15.21% 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 34.06% with 19.04% 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 30.23% with 15.21% 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 41.10% with 26.08% 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 36.43% with 21.41% 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 13 years for 2024-2025. The public school employees' retirement system board shall notify each district and intermediate district by February 28 of each fiscal year of the estimated contribution rate for the next fiscal year.

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History: Add. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 92, Imd. Eff. Oct. 1, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011,

Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 92 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for the fiscal period beginning October 1, 2007 and ending October 31, 2007 is estimated at $1,052,305,700.00 and state appropriations to be paid to local units of government for the fiscal period beginning October 1, 2007 and ending October 31, 2007 are estimated at $1,044,700,000.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

***** 388.1747.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1747.amended Allocations to public school employees' retirement system; contribution rates.

Sec. 147.

(1) The allocation for 2026-2027 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

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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 2026-2027 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 41.02% with 27.51% 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 36.28% with 22.77% 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 34.85% with 21.34% 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 28.72% with 15.21% 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 30.15% with 16.64% 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 28.72% with 15.21% 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 39.59% with 26.08% 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 34.92% with 21.41% 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 12 years for 2026-2027. The public school employees' retirement system board shall notify each district and intermediate district by February 28 of each fiscal year of the estimated contribution rate for the next fiscal year.

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History: Add. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am.

2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2007, Act 6, Imd. Eff. Apr. 30, 2007 ;-- Am. 2007, Act 92, Imd. Eff. Oct. 1, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:“Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963.”For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 92 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for the fiscal period beginning October 1, 2007 and ending October 31, 2007 is estimated at $1,052,305,700.00 and state appropriations to be paid to local units of government for the fiscal period beginning October 1, 2007 and ending October 31, 2007 are estimated at $1,044,700,000.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

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388.1747a Payments to participating districts and district libraries; definitions.

Sec. 147a.

From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed $379,900,000.00 for 2025-2026 and an amount not to exceed

$351,100,000.00 for 2026-2027 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 $100,000.00 for 2025-2026 and 2026-2027 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 before 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 section:

(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.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2013, Act 130, Imd. Eff. Oct. 9, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

Compiler's Notes: Enacting section 1 of Act 130 of 2013 provides:"Enacting section 1. This amendatory act takes effect October 1, 2013."

***** 388.1747b THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1747b.amended *****

388.1747b MPSERS retirement obligation reform reserve fund; creation; investment; interest and earnings.

Sec. 147b.

(1) The MPSERS retirement obligation reform reserve 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, $825,000,000.00 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 for 2022-2023 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.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023

***** 388.1747b.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1747b.amended MPSERS retirement obligation reform reserve fund; creation; investment; interest and earnings.

Sec. 147b.

(1) The MPSERS retirement obligation reform reserve 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 lapses to the state school aid fund. The department of treasury is the administrator of the MPSERS retirement obligation reform reserve fund for auditing purposes.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1747c Payments to participating entities of MPSERS; reduction of payroll growth assumption; definitions.

Sec. 147c.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 an amount not to exceed $1,536,500,000.00 and there is allocated for 2026-2027 an amount not to exceed $1,454,400,000.00 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 2025-2026 and 2026-2027 an amount not to exceed $300,000.00 for payments to district libraries that are participating entities of the Michigan public school employees' retirement system. All of the following apply to funding under this subsection:

(a) The amounts allocated under this subsection are estimated to provide an average MPSERS rate cap per pupil amount for districts of $1,100.00.

(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 15.21% 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 15.21% 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) By 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.

(2) As used in this section:

(a) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(b) "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.

(c) "Participating entity" means, except as otherwise provided in this subdivision, 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.

(d) "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.

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History: Add. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Imd. Eff. June 13, 2013 ;-- Am. 2014, Act 116, Imd. Eff. Apr. 11, 2014 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 3, Imd. Eff. Feb. 14, 2023 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

388.1747d Repealed. 2015, Act 85, Eff. Oct. 1, 2015.

Compiler's Notes: The repealed section pertained to payments to participating entities.

388.1747e Allocation for participating entities; payments; definitions.

Sec. 147e.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 an amount not to exceed $71,000,000.00 and there is allocated for 2026-2027 an amount not to exceed $88,800,000.00 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.

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History: Add. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Imd. Eff. Sept. 30, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Imd. Eff. July 13, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Imd. Eff. July 21, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Imd. Eff. July 21, 2026

388.1747f Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to payments to districts and intermediate districts that are participating entities of MPSERS.

388.1747g Repealed 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to payments to certain MPSERS entities for costs associated with health care premium subsidy benefits.

388.1748, 388.1749 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed sections pertained to grant to Detroit compact for comprehensive school, business, government, and community partnership, and Michigan partnership for new education.

388.1749a, 388.1749c, Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to dropout prevention program and Detroit compact for comprehensive school, business, government, and community partnerships.

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388.1751 Statement of taxable value; report by tax tribunal.

Sec. 151.

(1) The treasurer of each county shall furnish to the department, on or before August 1 of each year following the receipt of assessment rolls, a statement of the taxable value of each district and fraction of a district within the county, using forms furnished by the department. On or before May 1 of each year, the treasurer of each county shall submit to the department revisions to the taxable value for the immediately preceding year of each district and fraction of a district within the county, using forms furnished by the department. On or before October 1 of each year, the treasurer of each county shall submit to the department revisions to the taxable value for the years after 1993 of each district and fraction of a district within the county, using forms furnished by the department. The reports required by this subsection shall also contain the amount of ad valorem taxable value captured for school operating taxes under tax increment financing acts.

(2) Not later than the tenth day of each month, the tax tribunal created by the tax tribunal act, 1973 PA 186, MCL 205.701 to 205.779, shall report to the department the changes in taxable value for tax years after 1993 that are not reported to the department under subsection (1) and that are caused by tax tribunal decisions in the immediately preceding month for property that is a principal residence or qualified agricultural property, as defined in section 1211 of the revised school code, MCL 380.1211, and for property that is not a principal residence or qualified agricultural property, in each district and intermediate district. The report shall also contain the amount of taxable value captured under a tax increment financing plan described in subsection (1) for school operating tax purposes.

(3) As used in this section, "tax increment financing acts" means 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, or the corridor improvement authority act, 2005 PA 280, MCL 125.2871 to 125.2899.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1994, Act 283, Imd. Eff. July 12, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2007,

Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008
Compiler's Notes: Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."

388.1752 Reports for determination of allocation of funds; information; reports of educational progress.

Sec. 152.

Except for reports due on other dates specified in this act, each district and intermediate district shall furnish to the center or the department, as applicable, before the first Monday in November of each year those reports the department considers necessary for the determination of the allocation of funds under this act. In order to receive funds under this act, each district and intermediate district shall also furnish to the center or the department, as applicable, the information the department considers necessary for the administration of this act, including information necessary to determine compliance with article 16, and for the provision of reports of educational progress to the senate and house committees responsible for education, the senate and house appropriations subcommittees responsible for appropriations to school districts, the senate and house fiscal agencies, and the state budget director, as appropriate. This section does not require a district or intermediate district to submit any information to both the center and the department.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004
Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”

***** 388.1752a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1752a.amended *****

388.1752a Costs related to state-mandated collection, maintenance, and reporting of data; reporting to tribal governments; payments.

Sec. 152a.

(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 2025-2026 an amount not to exceed $41,000,500.00 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, $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 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.

History: Add. 2010, Act 217, Imd. Eff. Dec. 3, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Former MCL 388.1752a, which pertained to estimates of full-time equated K-12 and part-time membership, was repealed by Act 130 of 1995, Imd. Eff. June 30, 1995.Enacting section 1 of Act 217 of 2010 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 204, and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00.(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 110, and in 2009 PA 121 from state sources for fiscal year 2009-2010 is estimated at $10,645,097,700.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,562,169,000.00."

***** 388.1752a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1752a.amended Costs related to state-mandated collection, maintenance, and reporting of data; reporting to tribal governments; payments.

Sec. 152a.

(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 2026-2027 an amount not to exceed $41,000,500.00 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, $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 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.

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History: Add. 2010, Act 217, Imd. Eff. Dec. 3, 2010 ;-- Am. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1752a, which pertained to estimates of full-time equated K-12 and part-time membership, was repealed by Act 130 of 1995, Imd. Eff. June 30, 1995.Enacting section 1 of Act 217 of 2010 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 204, and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00.(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act, in 2010 PA 110, and in 2009 PA 121 from state sources for fiscal year 2009-2010 is estimated at $10,645,097,700.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,562,169,000.00."

***** 388.1752b THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1752b.amended *****

388.1752b Allocation for actual costs incurred by nonpublic schools for compliance with health, safety, and welfare requirements; reimbursement; "actual cost" defined; work project; carrying forward unexpended funds.

Sec. 152b.

(1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed $1,000,000.00 for 2025-2026 to reimburse actual costs incurred by nonpublic schools in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state.

(2) By January 1 of each applicable fiscal year, the department shall publish a form for reporting actual costs incurred by a nonpublic school in complying with a health, safety, or welfare requirement mandated under state law containing each health, safety, or welfare requirement mandated by a law or administrative rule of this state applicable to a nonpublic school and with a reference to each relevant provision of law or administrative rule for the requirement. The form must be posted on the department's website in electronic form.

(3) By June 30 of each applicable fiscal year, a nonpublic school seeking reimbursement for actual costs incurred in complying with a health, safety, or welfare requirement under a law or administrative rule of this state during each applicable school year must submit a completed form described in subsection (2) to the department. This section does not require a nonpublic school to submit a form described in subsection (2). A nonpublic school is not eligible for reimbursement under this section if the nonpublic school does not submit the form described in subsection (2) in a timely manner.

(4) By August 15 of each applicable fiscal year, the department shall distribute funds to each nonpublic school that submits a completed form described under subsection (2) in a timely manner. The superintendent shall determine the amount of funds to be paid to each nonpublic school in an amount that does not exceed the nonpublic school's actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state. The superintendent shall calculate a nonpublic school's actual cost in accordance with this section.

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(5) If the funds allocated under this section are insufficient to fully fund payments as otherwise calculated under this section, the department shall distribute funds under this section on a prorated or other equitable basis as determined by the superintendent.

(6) The department may review the records of a nonpublic school submitting a form described in subsection (2) only for the limited purpose of verifying the nonpublic school's compliance with this section. If a nonpublic school does not allow the department to review records under this subsection, the nonpublic school is not eligible for reimbursement under this section.

(7) The funds appropriated under this section are for purposes that are incidental to teaching and the provision of educational services to nonpublic school students; that are noninstructional in nature; that do not constitute a primary function or element necessary for a nonpublic school's existence, operation, and survival; that do not involve or result in excessive religious entanglement; and that are intended for the public purpose of ensuring the health, safety, and welfare of the children in nonpublic schools and to reimburse nonpublic schools for costs described in this section.

(8) Funds allocated under this section are not intended to aid or maintain any nonpublic school, support the attendance of any student at a nonpublic school, employ any person at a nonpublic school, support the attendance of any student at any location where instruction is offered to a nonpublic school student, or support the employment of any person at any location where instruction is offered to a nonpublic school student.

(9) For purposes of this section, "actual cost" means the hourly wage for the employee or employees performing a task or tasks required to comply with a health, safety, or welfare requirement under a law or administrative rule of this state identified by the department under subsection (2) and is to be calculated in accordance with the form published by the department under subsection (2), which must include a detailed itemization of costs. The nonpublic school shall not charge more than the hourly wage of its lowest-paid employee capable of performing a specific task regardless of whether that individual is available and regardless of who actually performs a specific task. Labor costs under this subsection must be estimated and charged in increments of 15 minutes or more, with all partial time increments rounded down. When calculating costs under subsection (4), fee components must be itemized in a manner that expresses both the hourly wage and the number of hours charged. The nonpublic school may not charge any applicable labor charge amount to cover or partially cover the cost of health or fringe benefits. A nonpublic school shall not charge any overtime wages in the calculation of labor costs.

(10) Training fees, inspection fees, and criminal background check fees are considered actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state.

(11) The funds allocated under this section for 2025-2026 are a work project appropriation, and any unexpended funds for 2025-2026 are carried forward into 2026-2027. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2027.

(12) The department shall reimburse nonpublic schools for actual costs incurred in complying with health, safety, or welfare requirements under a law or administrative rule of this state from 2017-2018 through 2022-2023 using work project funds or, if those funds are insufficient to fund reimbursements under this subsection, from the allocation under subsection (1).

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History: Add. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Sec. 152b, as amended by Act 165 of 2020, was vetoed by the governor on September 30, 2020.

***** 388.1752b.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1752b.amended Allocation for actual costs incurred by nonpublic schools for compliance with health, safety, and welfare requirements; reimbursement; "actual cost" defined.

Sec. 152b.

(1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed $1,000,000.00 for 2026-2027 to reimburse actual costs incurred by nonpublic schools in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state.

(2) By January 1 of each applicable fiscal year, the department shall publish a form for reporting actual costs incurred by a nonpublic school in complying with a health, safety, or welfare requirement mandated under state law containing each health, safety, or welfare requirement mandated by a law or administrative rule of this state applicable to a nonpublic school and with a reference to each relevant provision of law or administrative rule for the requirement. The form must be posted on the department's website in electronic form.

(3) By June 30 of each applicable fiscal year, a nonpublic school seeking reimbursement for actual costs incurred in complying with a health, safety, or welfare requirement under a law or administrative rule of this state during each applicable school year must submit a completed form described in subsection (2) to the department. This section does not require a nonpublic school to submit a form described in subsection (2). A nonpublic school is not eligible for reimbursement under this section if the nonpublic school does not submit the form described in subsection (2) in a timely manner.

(4) By August 15 of each applicable fiscal year, the department shall distribute funds to each nonpublic school that submits a completed form described under subsection (2) in a timely manner. The superintendent shall determine the amount of funds to be paid to each nonpublic school in an amount that does not exceed the nonpublic school's actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state. The superintendent shall calculate a nonpublic school's actual cost in accordance with this section.

(5) If the funds allocated under this section are insufficient to fully fund payments as otherwise calculated under this section, the department shall distribute funds under this section on a prorated or other equitable basis as determined by the superintendent.

(6) The department may review the records of a nonpublic school submitting a form described in subsection (2) only for the limited purpose of verifying the nonpublic school's compliance with this section. If a nonpublic school does not allow the department to review records under this subsection, the nonpublic school is not eligible for reimbursement under this section.

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(7) The funds appropriated under this section are for purposes that are incidental to teaching and the provision of educational services to nonpublic school students; that are noninstructional in nature; that do not constitute a primary function or element necessary for a nonpublic school's existence, operation, and survival; that do not involve or result in excessive religious entanglement; and that are intended for the public purpose of ensuring the health, safety, and welfare of the children in nonpublic schools and to reimburse nonpublic schools for costs described in this section.

(8) Funds allocated under this section are not intended to aid or maintain any nonpublic school, support the attendance of any student at a nonpublic school, employ any person at a nonpublic school, support the attendance of any student at any location where instruction is offered to a nonpublic school student, or support the employment of any person at any location where instruction is offered to a nonpublic school student.

(9) For purposes of this section, "actual cost" means the hourly wage for the employee or employees performing a task or tasks required to comply with a health, safety, or welfare requirement under a law or administrative rule of this state identified by the department under subsection (2) and is to be calculated in accordance with the form published by the department under subsection (2), which must include a detailed itemization of costs. The nonpublic school shall not charge more than the hourly wage of its lowest-paid employee capable of performing a specific task regardless of whether that individual is available and regardless of who actually performs a specific task. Labor costs under this subsection must be estimated and charged in increments of 15 minutes or more, with all partial time increments rounded down. When calculating costs under subsection (4), fee components must be itemized in a manner that expresses both the hourly wage and the number of hours charged. The nonpublic school may not charge any applicable labor charge amount to cover or partially cover the cost of health or fringe benefits. A nonpublic school shall not charge any overtime wages in the calculation of labor costs.

(10) Training fees, inspection fees, and criminal background check fees are considered actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state.

(11) The department shall reimburse nonpublic schools for actual costs incurred in complying with health, safety, or welfare requirements under a law or administrative rule of this state from 2017-2018 through 2022-2023 using work project funds or, if those funds are insufficient to fund reimbursements under this subsection, from the allocation under subsection (1).

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History: Add. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Imd. Eff. July 14, 2017 ;-- Am. 2018, Act 265, Imd. Eff. June 28, 2018 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Sec. 152b, as amended by Act 165 of 2020, was vetoed by the governor on September 30, 2020.

***** 388.1752c.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1752c.added Allocation to Marquette-Alger Regional Educational Agency; tribal consultation requirements; learning supports.

Sec. 152c.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2026-2027 only an amount not to exceed $2,500,000.00 to Marquette-Alger Regional Educational Agency to develop statewide supports for the federal tribal consultation requirements under the every student succeeds act, Public Law 114-95.

(2) Marquette-Alger Regional Educational Agency shall use the funds to support a collaboration that includes, but is not limited to:

(a) Elected tribal leadership from federally recognized tribes in Michigan.

(b) The Confederation of Michigan Tribal Education Departments.

(c) School, district, and intermediate district leadership, including elected board members.

(d) Directors of programs impacted by the federal tribal consultation requirements.

(e) The department's indigenous education initiative.

(3) The collaboration described in subsection (2) shall do both of the following:

(a) Create, disseminate, and evaluate professional learning to support the implementation of the federal tribal consultation requirements.

(b) By not later than January 1, 2028, and January 1 of each subsequent fiscal year, prepare a summary report that includes measurable outcomes to evaluate the progress made in the development of effective government-to-government relations. The report described in this subdivision must be submitted to the house and senate appropriations subcommittees on school aid, the house and senate fiscal agencies, and the state budget director.

(4) All of the following apply to professional learning described in subsection (3)(a):

(a) The professional learning must include at least the following:

(i) Identification of native students, including:

(A) Federal identification guidelines from the federal office of management and budget under statistical policy directive number 15 for American Indian and Alaska Native students.

(B) Tribal affiliation data collection guidelines under MCL 388.1694a.

(C) Program participation data collection guidelines under MCL 388.1694a for federal programs funded under 20 USC 7401 to 7546 and the Johnson-O'Malley supplemental Indian education program modernization act, Public Law 115-404.

(ii) Guidelines and rules related to data sharing from districts to federally recognized tribes as governed by the federal education rights and privacy act, 20 USC 1232, 34 CFR Part 99; the federal protection of pupil rights amendment, 20 USC 1232g, 34 CFR Part 98; and section 1136 of the revised school code, MCL 380.1136.

(iii) The federal tribal consultation requirements under the every student succeeds act, Public Law 114-95.

(iv) Key elements of effective tribal consultation.

(b) The initial professional learning must be made available to all administrators, staff, and board members in each district and intermediate district by September 30, 2027, with additional resources released at least annually during the course of the work project.

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

History: Add. 2026, Act 25, Eff. Oct. 1, 2026

388.1753 Repealed. 2019, Act 58, Eff. Oct. 1, 2019.

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Compiler's Notes: The repealed section pertained to a requirement that each district and intermediate district furnish information to the legislative fiscal agencies.

388.1754 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to names and post office addresses of treasurers, presidents, and secretaries of boards.

388.1755 Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to certifications as to nonresident pupils.

388.1756, 388.1757 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to informing legislators of amounts received and study of suspended or expelled students.

388.1758 Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to furnishing information for preparation of district pupil retention report.

388.1758a Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to reports on suspended and expelled pupils.

388.1758b Repealed. 2011, Act 62, Eff. Oct. 1, 2011.

Compiler's Notes: The repealed section pertained to report by district receiving federal aid.

388.1758c Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to reports on grants or contracts.

388.1759 Repealed. 1993, Act 175, Eff. Oct. 1, 1993.

Compiler's Notes: The repealed section pertained to special report including membership data.

388.1760 Request for waiver from requirements of MCL 380.1284b.

Sec. 160.

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If a district or intermediate district requests the superintendent to grant a waiver for the district or intermediate district from the requirements of section 1284b of the revised school code, MCL 380.1284b, that district or intermediate district shall use a portion of its funding under this article to conduct a public hearing to be held before the waiver is granted at a location within the district or intermediate district. The department may participate in a hearing held under this section at its discretion.

History: Add. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2019, Act 58, Eff. Oct. 1, 2019

388.1761 Violation as misdemeanor; penalty.

Sec. 161.

A school official or member of a board or other person who neglects or refuses to do or perform an act required by this act or who violates or knowingly permits or consents to the violation of this act is guilty of a misdemeanor, punishable by imprisonment for not more than 90 days, or a fine of not more than $1,500.00, or both. This penalty is in addition to all other financial penalties otherwise specified in this article.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014

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388.1761a False report; court order.

Sec. 161a.

If a court determines that a person intentionally violated section 411a of the Michigan penal code, 1931 PA 328, MCL 750.411a, by making a false report of the commission of a crime described in section 6(6)(e) knowing the report to be false for the purpose of having a pupil counted in membership in a district under section 6(6)(e), as part of the restitution ordered under section 30 of chapter XIIA of 1939 PA 288, MCL 712A.30, section 16, 44, or 76 of the crime victim's rights act, 1985 PA 87, MCL 780.766, 780.794, and 780.826, or section 1a of chapter IX of the code of criminal procedure, 1927 PA 175, MCL 769.1a, the court may order the person to pay the pupil's district of residence an amount that is not more than the state school aid that district would have received attributable to the pupil if the pupil had been counted in membership in the pupil's district of residence.

History: Add. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1762 Failure to file reports; forfeiture of funds.

Sec. 162.

A district or intermediate district that fails through the negligence of school officials to file reports pursuant to this act shall forfeit that proportion of funds to which the district or intermediate district otherwise would be entitled under this act as the delay in the reports bears to a school year consisting of the required minimum number of days and hours, as prescribed in section 1284 of the revised school code, being section 380.1284 of the Michigan Compiled Laws, for the district or intermediate district.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996

***** 388.1763 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1763.amended *****

388.1763 Prohibited conduct; employing individuals; misdemeanor; penalty.

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, 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.

(2) Except as otherwise provided under subsection (4) or (5), a district or intermediate district employing an individual in violation of this section 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) or (5), 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

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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 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) There must be no deduction under subsection (2) for employment of an individual if there is a membership adjustment under section 15 based on the same employment.

(6) If a school official is notified by the department that the school official 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.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 266, Eff. Sept. 26, 2018 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 15, Imd. Eff. May 19, 2021 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."

***** 388.1763.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1763.amended Prohibited conduct; employing individuals; misdemeanor; penalty.

Sec. 163.

(1) Except as otherwise provided in the revised school code or rules promulgated by the department, 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, and rules promulgated by the department to be employed as a superintendent, principal, 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.

(2) If the department or the department's designee determines that a district or intermediate district has employed or assigned an individual in violation of this section, the department or the department's designee shall provide written notice of noncompliance to the district or intermediate district. The written notice must identify the individual, the affected assignment, the nature of the noncompliance, and the date on which the notice is issued. The written notice must also state that the district or intermediate district has 15 school days after receiving the notice to correct the noncompliance before a state aid adjustment is imposed under this section.

(3) Except as otherwise provided under subsection (5), if a district or intermediate district does not correct an instance of noncompliance within 15 school days after receiving the written notice under subsection (2), the department shall make a state aid adjustment as follows:

(a) If the district or intermediate district does not correct the noncompliance within 15 school days after receiving written notice under subsection (2), the department shall make a state aid adjustment of $50,000.00 on the sixteenth school day after the district or intermediate district receives the notice.

(b) Beginning on the seventeenth school day after the district or intermediate district receives the notice, the department shall make an additional state aid adjustment of $1,000.00 for each school day the individual continues to be employed or assigned in violation of this section.

(c) The total state aid adjustment under this subsection must not exceed $100,000.00 per individual per assignment per fiscal year.

(d) No state aid adjustment shall be made for any period of noncompliance that occurs before the district or intermediate district receives written notice under subsection (2).

(e) No state aid adjustment shall be made if the district or intermediate district corrects the noncompliance within 15 school days after receiving written notice under subsection (2).

(4) A determination of noncompliance under subsection (2) is final unless the district or intermediate district requests review by the superintendent of public instruction within 30 calendar days after receiving the written notice under subsection (2). A request for review does not stay the 15-school-day correction period or the accrual of a state aid adjustment under subsection (3), unless the superintendent of public instruction determines that a stay is warranted.

(5) A state aid adjustment under subsection (3) may be reduced or waived, in whole or in part, if the superintendent of public instruction finds that the district or intermediate district was hindered in its ability to comply with this section due to unusual and extenuating circumstances resulting from conditions not within the control of school authorities. Unusual and extenuating circumstances under this subsection may include, but are not limited to, a natural disaster, death or serious illness of the individual or another employee, an emergency school closure, a documented technical issue with the systems used to obtain the required certification, permit, authorization, or approval, 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. In determining whether to reduce or waive a state aid adjustment,

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the superintendent of public instruction may consider whether the district or intermediate district had adequate systems and procedures in place to prevent noncompliance and whether the district or intermediate district took timely and reasonable action to correct the noncompliance after discovering or being notified of the violation.

(6) A state aid adjustment under this section for an educator misplacement is in lieu of any membership adjustment under section 6 or section 15 based on the same individual, district or intermediate district, assignment, and period of noncompliance.

(7) If a school official is notified by the department or the department's designee that the school official is employing or assigning an individual in violation of this section and knowingly continues to employ or assign that individual in violation of this section, 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 any state aid adjustment imposed under this section.

(8) As used in this section:

(a) "Assignment" means a specific class, course, subject area, instructional setting, administrative position, school counselor position, or other position for which an individual is responsible.

(b) "Educator misplacement" means the employment or assignment of an individual in violation of subsection (1).

(c) "School day" means a day on which pupils are scheduled to receive instruction in the affected building, program, or assignment.

(d) "Written notice" means notice issued by the department or its designee to the district or intermediate district identifying a violation of this section.

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History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 266, Eff. Sept. 26, 2018 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 15, Imd. Eff. May 19, 2021 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Imd. Eff. July 23, 2024 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:“Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00.”Enacting section 1 of Act 137 of 2007 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at $11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at $11,458,493,300.00."

388.1763a Enrollment of homeless child; definition.

Sec. 163a.

(1) A district shall allow a homeless child who is residing in the district to enroll in the district in accordance with state law and with subtitle B of title VII of the Stewart B. McKinney homeless assistance act, Public Law 100-77, 42 U.S.C. 11431 to 11435.

(2) As used in this section, "homeless child" means a school-age child who is homeless, as defined in section 103 of title I of Public Law 100-77, 42 U.S.C. 11302, or who is the child of a homeless individual, as defined in 42 U.S.C. 11302.

History: Add. 1994, Act 283, Eff. Oct. 1, 1994

388.1764 Forfeiture of amount equal to expenditure for cars or chauffeurs.

Sec. 164.

A district or intermediate district shall forfeit an amount to which the district or intermediate district otherwise would be entitled under this act equal to the district's or intermediate district's expenditures in the immediately preceding school fiscal year for purchasing, leasing, or renting cars for board members for use within district or intermediate district boundaries, and for chauffeurs for board members or administrators.

History: Add. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996

388.1764a Receipt by school administrator of monetary payment in lieu of unused vacation or personal leave.

Sec. 164a.

A district or intermediate district shall not allow a school administrator to receive a monetary payment in lieu of unused vacation or personal leave for the purpose of increasing the school administrator's retirement benefits. If a district or intermediate district violates this section in a fiscal year, the district or intermediate district forfeits from its funds due under this act for that fiscal year an amount equal to the salary of the district's or intermediate district's superintendent for that fiscal year.

History: Add. 1994, Act 283, Eff. Oct. 1, 1994

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388.1764b Payment or reimbursement of board member expenses.

Sec. 164b.

(1) The board of a district or intermediate district shall not pay an expense incurred by a member of the board unless the payment is in compliance with section 1254 of the revised school code, being section 380.1254 of the Michigan Compiled Laws.

(2) In addition to the requirements of section 1254 of the revised school code, the board of a district or intermediate district shall not approve reimbursement of an expense incurred by a board member unless 1 or both of the following conditions is met:

(a) The board, by a majority vote of its members at an open meeting, approved reimbursement of the specific expense before the expense was incurred.

(b) The expense is consistent with a policy adopted by the board, by a majority vote of its members at a regular board meeting, establishing specific categories of reimbursable expenses and the board, by a majority vote of its members at an open meeting, approved the reimbursement before it is actually paid.

(3) Records of all payments under this section shall be open to the public.

(4) A violation of this section is punishable under section 161.

History: Add. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996

388.1764c Purchase of foreign goods or services; preference.

Sec. 164c.

A district or intermediate district shall not use funds appropriated under this act to purchase foreign goods or services, or both, if American goods or services, or both, are available and are competitively priced and of comparable quality. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

History: Add. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008 ;-- Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."Enacting section 1 of Act 121 of 2009 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at $10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at $10,718,801,700.00."

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388.1764d Adoption, implementation, or issuance of certain policies, practices, or statements; prohibition.

Sec. 164d.

A district or intermediate district shall not expend funds received under this act to adopt or implement a policy or practice, or to make or issue any public statement or directive, that has the effect of any of the following:

(a) Denies to a student of a particular state university access to the district or intermediate district for student teaching purposes solely because the student is enrolled in that state university.

(b) Prevents the hiring of a graduate of a particular state university solely because the individual graduated from that state university.

(c) Discourages or prohibits a counselor employed by the district or intermediate district from recommending a particular state university to a pupil of the district or intermediate district for reasons other than the suitability of the state university's educational offerings for the particular pupil.

History: Add. 1995, Act 130, Eff. Oct. 1, 1995

388.1764e Student teaching; employment discrimination prohibited.

Sec. 164e.

If a district or an employee of a district discriminates against a person engaging in or seeking to engage in student teaching in the district because the state university in which the

person is enrolled serves as the authorizing body for 1 or more public school academies, the district forfeits an amount equal to 10% of the funds due to the district under this act.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996

388.1764f Procurement of diesel fuel.

Sec. 164f.

The intermediate board of an intermediate district, the board of a district, or the board of directors of a public school academy may use funds appropriated under this article to enter into a swap, hedge, derivative, or similar agreement in connection with the procurement of diesel fuel. However, not more than 25% of a district's, public school academy's, or intermediate district's annual diesel fuel budget may be procured in the manner allowed under this section.

History: Add. 2014, Act 196, Eff. Oct. 1, 2014

388.1764g Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the prohibition on the use of funds for legal action against this state.

388.1764h Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to prohibition on entering into collective bargaining agreement.

388.1764i Prohibited use of funds; restricting or impeding access to government resources, programs, or facilities; reporting of interference with local health officers.

Sec. 164i.

(1) Money appropriated under this act must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in this act, districts, intermediate districts, public community colleges, and public universities 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.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023

388.1764j Repealed. 2026, Act 25, Imd. Eff. July 21, 2026.

Compiler's Notes: The repealed section pertained to the reallocation of state fiscal recovery funds under the American rescue plan act.

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***** 388.1764k THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1764k.amended *****

388.1764k Compliance with school meal programs; incentives for pupil count day; surveys; violations; withholding of payments.

Sec. 164k.

If the department receives a report that a district or intermediate district is violating any of the following requirements, and the department confirms the violation, the department shall withhold 5% of the payment the district is eligible to receive under section 22b, or 5% of the payment the intermediate district is eligible to receive under section 81, as applicable, for as long as the district or intermediate district is out of compliance:

(a) A district or intermediate district shall ensure that all food made available to a student in the breakfast or lunch program complies with all federal rules and regulations related to school meals.

(b) To the extent practicable under federal regulations, a district or intermediate district shall require each student household to complete the child nutrition and education benefits application, as provided by the department, for free and reduced-price school meals regardless of whether the district or intermediate district opts to provide universal breakfast or lunch.

(c) For pupil membership count days after the fall 2025 count, a district or intermediate district shall not provide a financial incentive to students for attending pupil membership count day.

(d) A district or intermediate district shall ensure that student survey questions and results are made available to the public, posted on the district's or intermediate district's website, and that parents and legal guardians are notified of the survey. As used in this subsection, "survey" includes any survey from the district or intermediate district or from the local, state, or federal government.

(e) Beginning with the fiscal year ending September 30, 2026, if a district is not using a curriculum from the department's evidence-based curriculum list required under section 1280f of the revised school code, MCL 380.1280f, the district must provide a notification to all parents or legal guardians of students in grades K to 5 receiving instruction with that curriculum that includes all of the following:

(i) A statement informing parents or legal guardians that the curriculum used by the district is not evidence-based or not aligned to state standards, which could negatively impact student academic outcomes.

(ii) A statement explaining why the district is not using a curriculum that is evidence-based or aligned to state standards.

(iii) A plan, including a projected timeline, for when a new curriculum will be adopted that is evidence-based and aligned to state standards.

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1764k.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1764k.amended Compliance with school meal programs; incentives for pupil count day; violations; withholding of payments.

Sec. 164k.

(1) If the department receives a report that a district or intermediate district is violating any of the following requirements, and the department confirms the violation, the department shall withhold 5% of the payment the district is eligible to receive under section 22b, or 5% of the payment the intermediate district is eligible to receive under section 81, as applicable, for as long as the district or intermediate district is out of compliance:

(a) A district or intermediate district shall ensure that all food made available to a student in the breakfast or lunch program complies with all federal rules and regulations related to school meals, including provisions restricting access to soda and candy as described in federal Smart Snacks Standards.

(b) To the extent practicable under federal regulations, a district or intermediate district shall require each student household to complete the child nutrition and education benefits application, as provided by the department, for free and reduced-price school meals regardless of whether the district or intermediate district opts to provide universal breakfast or lunch.

(c) For pupil membership count days after the fall 2025 count, a district or intermediate district shall not provide a financial incentive to students for attending pupil membership count day.

(d) Beginning with the 2026-2027 school year, the board of a district or intermediate district shall ensure that each school operated by the board implements the presidential fitness test for all students enrolled in physical education classes, consistent with guidance developed by the department under subsection (2) and except as otherwise stated in a student's individual education plan, in accordance with the suggestions and strategies promulgated under federal Executive Order No. 14327, 90 Fed. Reg. 37993 (July 31, 2025).

(2) The department, in consultation with the Governor's Council on Physical Fitness, Health, and Sports, shall develop guidance for the implementation of the presidential fitness test under subsection (1)(d). The guidance must be consistent with applicable state and federal law. The guidance must include, but is not limited to, both of the following:

(a) That any student with an individualized education plan (IEP) is not required to participate in the presidential fitness test, unless that student's IEP otherwise requires the presidential fitness test.

(b) A requirement that the presidential fitness test may only be administered in physical education classes, if such classes are offered by the school.

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History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1764l THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1764l.amended *****

388.1764l Legislatively directed spending items; transparency requirements.

Sec. 164l.

(1) Not later than 30 days after the enactment of the amendatory act that added this section, the legislature shall provide to the responsible entity and the state budget director a list of legislatively directed spending items, which may be referred to in this section as grants or direct appropriation grants, funded under the amendatory act that added this section consistent

with house or senate rules and this section. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with house or senate rules and this section.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the responsible entity shall perform, at a minimum, at least all of the following activities to administer the grants described in subsection (1):

(a) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The responsible entity shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(b) Verify to the extent possible that a grant recipient is a not-for-profit entity and will use funds as publicly disclosed and for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(c) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. The responsible entity may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(d) Disburse the grant money per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the responsible entity, to verify that expenditures were made in accordance with the project purpose.

(e) If the state budget director determines that information provided by the grantee does not meet the disclosure requirements, that the grant will be used to pay a tax lien, delinquent tax, or other obligation owed to this state, or that the grant will create a conflict of interest, the responsible entity shall not release the grant money to the grantee. Money that is not released under this subdivision lapses at the end of the fiscal year. There is not a conflict of interest if the sponsoring legislator certifies that the sponsoring legislator's immediate family members, legislative staff members that have worked for the sponsoring legislator within the past 2 years, and the sponsoring legislator do not have a direct or indirect pecuniary interest in the legislatively directed spending item.

(3) An executed grant agreement under this section between the responsible entity and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information necessary for the responsible entity to administer grant money under this section.

(b) A description of the project for which the grant money will be expended, including tentative timelines and the estimated budget. Project budget must include how all grant money will be used and must indicate if any grant money will be provided to a third party or subrecipient. The responsible entity shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations under the amendatory act that added this section. The grantee shall return to the state treasury any interest in excess of $1,000.00 earned on the grant money while unexpended and in possession of the grantee.

(c) Unless otherwise specified in the responsible entity's policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of the amendatory act that added this section.

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(d) A requirement for reporting by the grant recipient to the responsible entity and the legislative sponsor that provides the status of the project and an accounting of all money expended by the grant recipient, as determined by the responsible entity.

(e) A clawback provision that allows the department of treasury to recoup or otherwise collect any grant money that is declined, unspent, or otherwise misused.

(f) The documents publicly disclosed under subsection (1).

(4) If appropriate to improve the administration or oversight of a grant described in subsection (1), the responsible entity may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(5) A grant recipient shall respond to all reasonable information requests from the responsible entity related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audit as determined by the responsible entity. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient authorized to bind the grant recipient that the requirements of this subsection will be met.

(6) The grant recipient shall expend all grant money awarded and complete all projects not later than September 30, 2030. If, at that time, any unexpended money remains, the grant recipient shall return that money to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2026, the responsible entity shall return money associated with the grant to the state treasury.

(7) Any grant money that is awarded to a responsible entity is appropriated in that responsible entity for the purpose of the intended grant.

(8) Except as otherwise provided in subsection (9), beginning March 15 of the current fiscal year, the responsible entity shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of money allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The responsible entity shall update the report and post the updated report in a publicly accessible location on its website not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The responsible entity shall include in the report the most comprehensive information the responsible entity has available at the time of posting for grants awarded.

(9) If the state budget office determines that it is more efficient for the state budget office to compile all affected responsible entities' information and post a report of the compiled information rather than the report required under subsection (8) being posted by individual responsible entities, the state budget office may compile that information across all affected responsible entities and other state departments and post the compiled report and any updates on the same time schedule as identified in subsection (8).

(10) If the responsible entity reasonably determines that the money allocated for an executed grant agreement under this section was misused or that use of the money was misrepresented by the grant recipient, the responsible entity shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols, which may include referral for criminal investigation.

(11) As used in this section, "responsible entity" means the department, the department of lifelong education, advancement, and potential, a district, an intermediate district, or other person that administers a grant under this article.

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

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***** 388.1764l.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1764l.amended Legislatively directed spending items; transparency requirements.

Sec. 164l.

(1) Not later than 30 days after the enactment of any amendatory act to this article, the house and senate shall provide to the responsible entity and the state budget director a list of legislatively directed spending items, as defined in sections 364 and 364a of the management and budget act, MCL 18.1364 and 18.1364a, that are funded by the amendatory act. The list must include all information and documents pertaining to the funded items as publicly disclosed under sections 364 and 364a of the management and budget act, MCL 18.1364 and 18.1364a.

(2) In accordance with section 364 of the management and budget act, 1984 PA 431, MCL 18.1364, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

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History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1764m.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1764m.added English language learner programs; reports; monitoring; compliance.

Sec. 164m.

(1) Except as otherwise provided in section 22b(3)(g), a district that receives funds under section 22b(4) must do all of the following:

(a) Use funds received for purposes including, but not limited to, student achievement and success, literacy, mathematics, and providing direct English language development instruction.

(b) Administer to English language learners the English language proficiency assessment known as the "WIDA ACCESS for English language learners" or the "WIDA Alternate ACCESS".

(c) Agree to meet or exceed the minimum number of minutes per week, as determined by the department under subsection (2), that the district provides direct English language development instruction.

(d) 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 must be implemented in grades K to 12 or, if the district does not operate all of grades K to 12, for all of the grades the district operates. The multi-tiered system of supports described in this subdivision must provide 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.

(e) Support pupil needs for pupils counted toward the district's weighted pupil membership, including, but not limited to, items identified in a district's Michigan Integrated Continuous Improvement Process (MICIP) plan. An amount not to exceed 2% of the amount received under section 22b(4) may be used to support administrative costs related to complying with this section. Administrative costs include, but are not limited to, central office salaries and benefits, business and fiscal services, and school administrative staff and expenses, and do not include costs associated with direct instructional staff working with pupils counted toward the weighted pupil membership.

(f) Provide information to the department, in a form and manner determined by the department, necessary for the department to monitor programs and services described in this section for compliance with the requirements of this section and to ensure the multi-tiered system of supports and English language learner programs are implemented with fidelity.

(g) Allow access for the department or the department's designee to audit all records related to the program for which the district receives those funds. The district shall reimburse this state for all disallowances found in any audit.

(h) Communicate the following information to parents and legal guardians at least annually, as applicable for grades offered by the district:

(i) Literacy-related results for the district, including multiyear trend data, from the grade 3 Michigan student test of educational progress (M-STEP), the grade 7 Michigan student test of educational progress (M-STEP), and the SAT for pupils who are economically disadvantaged or English language learners. The district shall ensure that information described in this subparagraph is reported in a manner that safeguards pupil privacy.

(ii) Information detailing the amount of funding received under section 22b(4), how the district distributed that funding, and what evidence-based interventions were implemented with that funding. The information reported under this subparagraph must include a method, including contact information, for parents or legal guardians to provide feedback on the use of the funding as well as to seek more information about services and interventions available for their children.

(2) The department shall establish English language learner program models that establish a minimum number of minutes per week that districts must provide direct English language development instruction for pupils according to the pupil's proficiency levels. The program models described in this subsection must comply with federal requirements related to English language learner program services.

(3) The department shall monitor districts for compliance with this section and may require districts to provide any information to the department, in a form and manner determined by the department, necessary to fulfill this requirement.

(4) As used in this section, "English language learner" and "weighted pupil membership" mean those terms as defined in section 6.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1764n.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1764n.added Annual report on work project accounts.

Sec. 164n.

By not later than 6 months after the state budget office issues work project letters, and again on or before April 15, the department and the department of lifelong education, advancement, and potential shall submit an annual report to the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, and the senate and house policy offices that summarizes all work project accounts. The report described in this section must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1764o.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1764o.added Efficiency and cost-containment measures.

Sec. 164o.

Districts and intermediate districts are encouraged to evaluate and pursue efficiency and cost-containment measures that maximize state funding. Districts and intermediate districts shall identify practices that increase efficiencies, including, but not limited to, establishing joint ventures, consolidating services, utilizing program collaborations, maximizing educational benefits through optimal class sizes and frequency of course offerings, eliminating low-enrollment and high-cost instructional programs, using self-insurance, practicing energy conservation, and utilizing group purchasing.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026

388.1765 Reimbursement by entity in contractual shared time agreement.

Sec. 165.

If an individual or private entity receives payment or consideration from a district or intermediate district as a result of involvement in a contractual shared time agreement and if memberships attributable to that agreement are subsequently disallowed by the department, the individual or entity shall reimburse to the district or intermediate district the full amount of the payment or consideration received. The attorney general may take any action necessary to enforce the reimbursement required under this section.

History: Add. 1998, Act 339, Imd. Eff. Oct. 13, 1998
Compiler's Notes: Former MCL 388.1765, which pertained to forfeiture of apportionments, was repealed by Act 300 of 1996, Eff. Oct. 1, 1996.

388.1766 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to a disciplinary policy for referral of pupil for abortion or assisting pupil in obtaining abortion.

388.1766a Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to requirements for providing instruction in reproductive health or other sex education.

388.1766b Minor enrolled in nonpublic school or home school; enrollment in district, public school academy, or intermediate district in certain curricular offering; state school aid; requirements; "eligible other district" defined; nonessential course; minor as part-time pupil; reply by district.

Sec. 166b.

(1) This act does not prohibit a parent or legal guardian of a minor who is enrolled in any of grades kindergarten to 12 in a nonpublic school or who is being home-schooled from also enrolling the minor in a district, public school academy, or intermediate district in any curricular offering that is provided by the district, public school academy, or intermediate district at a public school site and is available to pupils in the minor's grade level or age group, subject to compliance with the same requirements that apply to a full-time pupil's participation in the offering. However, state school aid shall be provided under this act for a minor enrolled as described in this subsection only for a curricular offering that is restricted to nonessential elective courses and is available to full-time pupils in the minor's grade level or age group. For the purposes of this subsection, a curricular offering includes optional experiences associated with the curricular offering.

(2) This act does not prohibit a parent or legal guardian of a minor who is enrolled in any of grades kindergarten to 12 in a nonpublic school or who resides within a district and is being home-schooled from also enrolling the minor in the district in any nonessential elective curricular offering being provided by the district at a nonpublic school site or that is provided by the district, a public school academy, or an intermediate district at a public school site, and that is available to pupils in the minor's grade level or age group, subject to compliance with the same requirements that apply to a full-time pupil's participation in the offering. For the purposes of this subsection, a curricular offering includes optional experiences associated with the curricular offering. State school aid shall be provided under this act for a minor enrolled as described in this subsection only if all of the following apply:

(a) Either of the following:

(i) The nonpublic school site is located, or the nonpublic students are educated, within the geographic boundaries of the district.

(ii) If the nonpublic school has submitted a written request to the district in which the nonpublic school is located for the district to provide certain instruction under this subsection for a school year and the district does not agree to provide some or all of that instruction by May 1 immediately preceding that school year or, if the request is submitted after March 1 immediately preceding that school year, within 60 days after the nonpublic school submits the request, the instruction is instead provided by an eligible other district. This subparagraph does

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not require a nonpublic school to submit more than 1 request to the district in which the nonpublic school is located for that district to provide instruction under this subsection, and does not require a nonpublic school to submit an additional request to the district in which the nonpublic school is located for that district to provide additional instruction under this subsection beyond the instruction requested in the original request, before having the instruction provided by an eligible other district. A public school academy that is located in the district in which the nonpublic school is located or in an eligible other district also may provide instruction under this subparagraph under the same conditions as an eligible other district. As used in this subparagraph, "eligible other district" means a district that is located in the same intermediate district as the district in which the nonpublic school is located or is located in an intermediate district that is contiguous to that intermediate district.

(b) The nonpublic school is registered with the department as a nonpublic school and meets all state reporting requirements for nonpublic schools.

(c) The instruction is provided directly by a certified teacher of the district, public school academy, or intermediate district.

(d) The curricular offering is also available to full-time pupils in the minor's grade level or age group in the district or public school academy at a public school site.

(e) The curricular offering is restricted to nonessential elective courses for pupils in grades kindergarten to 12.

(f) The district ensures that all individuals that have contact with pupils as part of a course provided to pupils enrolled in the district under section 166b and counted in membership under section 6 have not been convicted of sexual misconduct.

(g) The district ensures that an individual who provides direct or indirect curricular offerings to pupils as part of an optional or required course provided to pupils enrolled in the district under section 166b and counted in membership under section 6, or who has unsupervised contact with pupils as part of such a course, is subject to the requirements under sections 1230, 1230a, 1230b, 1230c, 1230d, 1230e, and 1230g of the revised school code, MCL 380.1230, 380.1230a, 380.1230b, 380.1230c, 380.1230d, 380.1230e, and 380.1230g, as if the individual is offered full-time or part-time employment in the district, is an employee of the district, or is assigned to regularly and continuously work under contract in any of its schools, as applicable.

(h) The district ensures that each optional experience associated with a course provided to pupils enrolled in the district under section 166b and counted in membership under section 6 is offered on a schedule that ensures that the experience is available to the majority of full-time pupils in membership in the district in the same grade level or age group as pupils participating in the course and enrolled in the district under section 166b.

(i) The district provides the department information necessary to quantify all of the following, in a form and manner prescribed by the department in conjunction with the center:

(i) A complete listing of all courses provided to pupils counted in membership in the district.

(ii) Course enrollments by each participant using local coding and the school codes for the exchange of data (SCED).

(iii) Identification of each course teacher or mentor.

(3) A nonessential course in grades 1 to 8 is a course other than a mathematics, science, social studies, and English language arts course required by the district for grade progression. Nonessential courses in grades 9 to 12 are those other than algebra 1, algebra 2, English 9-12, geometry, biology, chemistry, physics, economics, geography, American history, world history, the Constitution, government, and civics, or courses that fulfill the same credit requirement as these courses. Nonessential elective courses include courses offered by the local district for

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high school credit that are also capable of generating postsecondary credit, including, at least, advanced placement and international baccalaureate courses. College level courses taken by high school students for college credit are nonessential courses. Remedial courses for any grade in the above-listed essential courses are considered essential. Kindergarten is considered nonessential.

(4) Subject to section 6(4)(ii), a minor enrolled as described in this section is a part-time pupil for purposes of state school aid under this act.

(5) A district that receives a written request to provide instruction under subsection (2) shall reply to the request in writing by May 1 immediately preceding the applicable school year or, if the request is made after March 1 immediately preceding that school year, within 60 days after the nonpublic school submits the request. The written reply shall specify whether the district agrees to provide or does not agree to provide the instruction for each portion of instruction included in the request.

History: Add. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2008, Act 219, Imd. Eff. July 16, 2008 ;-- Am. 2010, Act 110, Eff. Oct. 1, 2010 ;-- Am. 2010, Act 204, Imd. Eff. Oct. 12, 2010 ;-- Am. 2012, Act 130, Imd. Eff. May 15, 2012 ;-- Am. 2015, Act 222, Eff. Mar. 16, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018
Compiler's Notes: Enacting section 1 of Act 204 of 2010 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2010 PA 110 from state sources for fiscal year 2010-2011 is estimated at $10,955,902,900.00 and state appropriations to be paid to local units of government for fiscal year 2010-2011 are estimated at $10,824,041,900.00."

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388.1766c Repealed. 2011, Act 62, Eff. Oct. 1, 2011.

Compiler's Notes: The repealed section pertained access to instructional supplies

388.1766d Cyber school; salary or compensation information; nondisclosure agreement prohibited.

Sec. 166d.

(1) A school of excellence that is a cyber school, as defined in section 551 of the revised school code, MCL 380.551, or an educational management organization with which the cyber school has a contract, shall not require an employee, a former employee, or an individual doing work for the cyber school as an independent contractor or as an employee of the educational management organization or another third party to sign an agreement that he or she will not disclose salary or other compensation information.

(2) A school of excellence that is a cyber school, as defined in section 551 of the revised school code, MCL 380.551, that violates subsection (1) or that is party to a contract with an educational management organization that violates subsection (1) shall forfeit from its state aid under this act an amount equal to 2% of its total state aid.

History: Add. 2010, Act 110, Eff. Oct. 1, 2010
Compiler's Notes: Former MCL 388.1766d, which pertained to health care coverage for abortion services, was repealed by Act 191 of 2002, Imd. Eff. Apr. 26, 2002.

388.1766e Construction of new building, or addition to or repair or renovation of existing building; use of competitive bid process.

Sec. 166e.

Before entering into a contract in an amount in excess of $15,000.00 for any materials, supplies, or equipment or a contract in an amount in excess of $15,000.00 for construction of a new building, or addition to or repair or renovation of an existing building, the board of a district of the first class, or any other purchasing authority within a district of the first class, shall obtain sealed competitive bids, and the district shall award such a contract using this competitive bid process. This section does not prohibit a district from making a public request for proposals before requesting bids and does not prohibit a district from awarding a contract based on a combination of price, quality, and service factors. A school official or member of a school board or other person who neglects or refuses to do or perform an act required by this section, or who violates or knowingly permits or consents to a violation of this section, is guilty of a misdemeanor punishable by a fine of not more than $500.00, or imprisonment for not more than 3 months, or both.

History: Add. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2008, Act 268, Eff. Oct. 1, 2008
Compiler's Notes: Enacting section 1 of Act 268 of 2008 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at $11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at $11,602,465,900.00."

388.1767 Plan for compliance with MCL 380.1177 and 333.9209; report of immunization status; districts subject to subsection (4); failure to comply with section; exception for 2020-2021 fiscal year.

Sec. 167.

(1) The department in cooperation with the department of health and human services shall develop plans to assist districts, intermediate districts, and local county health departments to comply with section 1177 of the revised school code, MCL 380.1177, and section 9209 of the public health code, 1978 PA 368, MCL 333.9209, for each school year.

(2) Each district or intermediate district shall report to the local health department in which it is located by November 1 of each fiscal year, in a manner prescribed by the department of health and human services, the immunization status of each pupil in grades K through 12 who enrolled in the district or intermediate district for the first time or who enrolled in grade 7 in the district or intermediate district for the first time, between January 1 and September 30 of the immediately preceding fiscal year. Not later than December 31 of each fiscal year, the department of health and human services shall notify the department by district or intermediate district of the percentage of entering pupils and of pupils who enrolled in grade 7 for the first time who do not have a completed, waived, or provisional immunization record in accordance with section 1177 of the revised school code, MCL 380.1177. If a district or intermediate district does not have a completed, waived, or provisional immunization record in accordance with section 1177 of the revised school code, MCL 380.1177, for at least 90% of the district's or intermediate district's entering pupils, as recorded in the November 1 reports required under this subsection, the district or intermediate district is subject to subsection (4) until the district or intermediate district has such an immunization record for at least 90% of its pupils who enrolled in the district or intermediate district for the first time.

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(3) Each district or intermediate district shall again report to the local health department in which it is located by February 1 of each fiscal year, in a manner prescribed by the department of health and human services, the immunization status of each pupil in grades K through 12 who enrolled in the district or intermediate district for the first time or who enrolled in grade 7 in the district or intermediate district for the first time, between January 1 of the immediately preceding fiscal year and December 31 of the current fiscal year. Not later than March 31 of each fiscal year, the department of health and human services shall notify the department by district or intermediate district of the percentage of entering pupils and of pupils who enrolled in grade 7 for the first time who do not have a completed, waived, or provisional immunization record in accordance with section 1177 of the revised school code, MCL 380.1177. If a district or intermediate district does not have a completed, waived, or provisional immunization record in accordance with section 1177 of the revised school code, MCL 380.1177, for at least 95% of the district's or intermediate district's entering pupils, as recorded in the February 1 reports required under this subsection, the district or intermediate district is subject to subsection (4) until the district or intermediate district has such an immunization record for at least 95% of its pupils who enrolled in the district or intermediate district for the first time. If the department of health and human services is not able to report to the department by March 31 because a district or intermediate district fails to submit a report as required in this subsection, or submits an incomplete, inaccurate, or late report, the district or intermediate district is subject to subsection (4) until the report is submitted in a complete and accurate form.

(4) Except as otherwise provided in this subsection, if a district or intermediate district does not comply with this section, the department shall withhold 5% of the total funds due to the district or intermediate district under this act after the date the department of health and human services reports a district's or intermediate district's noncompliance with this section to the department until the district or intermediate district complies with this section. Except as otherwise provided in this subsection, if the district or intermediate district does not comply with this section by the end of the fiscal year, the district or intermediate district forfeits the total amount withheld. For the 2020-2021 fiscal year only, this subsection does not apply.

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History: Add. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2000, Act 89, Imd. Eff. May 1, 2000 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006 ;-- Am. 2013, Act 122, Imd. Eff. Oct. 1, 2013 ;-- Am. 2021, Act 3, Imd. Eff. Mar. 9, 2021
Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."Enacting section 1 of Act 122 of 2013 provides:"Enacting section 1. This amendatory act takes effect July 1, 2013."

388.1767a Plan to reduce expulsions and suspensions that exceed 10 days; implementation.

Sec. 167a.

A district is encouraged to implement a plan to reduce pupil expulsions and suspensions that exceed 10 days. It is the intent of the legislature that a district that has not implemented a plan to reduce pupil expulsions and suspensions that exceed 10 days will be subject to forfeiture of a portion of its total state school aid.

History: Add. 2016, Act 249, Eff. Oct. 1, 2016
Compiler's Notes: Former MCL 388.1767a, which pertained to funds held in escrow, was repealed by Act 130 of 1995, Eff. Oct. 1, 1995.

388.1767b School violence tip line; report.

Sec. 167b.

(1) Not later than August 1, 2018, and not later than August 1 of each subsequent year, a district or intermediate district that operates a school violence tip line shall report to the attorney general on the operation of the tip line. The information reported must include at least all of the following, for the purposes of studying best practices:

(a) Whether the tip line operates 24 hours a day.

(b) Whether the tip line is connected to local law enforcement.

(c) The type and duration of training for personnel who operate the tip line.

(2) A district or intermediate district shall annually designate at least 1, but no more than 2, employees as the school officials who will receive information under section 3(4) of the student safety act, 2013 PA 183, MCL 752.913, and shall provide the attorney general with the contact information for the designated school officials that allows the designated school officials to receive information 24 hours a day, 365 days a year.

History: Add. 2018, Act 265, Imd. Eff. June 28, 2018

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388.1768 Access to records; audit.

Sec. 168.

In order to receive funds under this article, a district, intermediate district, grant recipient, contractor, or other entity that directly or indirectly receives funds under this article shall allow access for the department or the department's designee to audit all records related to a program for which it receives funds under this article or has received funds under this article for any of the 3 immediately preceding fiscal years. The district, intermediate district, grant recipient, contractor, or other entity shall reimburse the state for all disallowances found in any audit conducted under this article.

History: Add. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014

388.1768a Removing or contracting to remove asbestos.

Sec. 168a.

In order to receive funds under this act, a district or intermediate district shall not remove asbestos, or contract for the removal of asbestos, from an educational facility unless the removal is required under Act No. 51 of the Public Acts of 1993, being sections 388.861 to 388.864 of the Michigan Compiled Laws.

History: Add. 1993, Act 175, Eff. Oct. 1, 1993

388.1769 State aid to public school academies.

Sec. 169.

In order for a public school academy to receive state aid under this act, the public school academy shall demonstrate to the satisfaction of the department that the public school academy has made a good faith effort to advertise, throughout the entire area of the intermediate district in which the public school academy is located, that the academy is enrolling students and the procedures for applying for enrollment. The department shall not make any payments to a public school academy until the public school academy supplies evidence satisfactory to the department demonstrating compliance with this section. If a public school academy is a successor to a nonpublic school and more than 75% of the pupils enrolled in the public school academy during its first school year of operation were previously enrolled in that nonpublic school, there is a rebuttable presumption that the public school academy did not make the good faith effort required under this section.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996
Compiler's Notes: Former MCL 388.1769, which pertained to purchasing foreign goods or services, was repealed by Act 175 of 1993, Eff. Oct. 1, 1993.

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388.1769a Michigan schools for the deaf, deaf-blind, or hard of hearing; information about residential programs; interference with right or ability prohibited; educational placement options; violation.

Sec. 169a.

(1) A board member, official, or employee of a district or intermediate district shall provide any information received from the Michigan schools for the deaf and blind about its residential program to parents and guardians of pupils who are deaf, deaf-blind, or hard of hearing and to any residents of the district or intermediate district who request the information.

(2) Upon determining that a pupil is deaf or hard of hearing, a district or intermediate district shall provide to the pupil's parent or legal guardian information, provided by the Michigan coalition for deaf and hard of hearing persons, on educational placement options for deaf and hard of hearing children.

(3) Upon determining that a pupil is blind, a district or intermediate district shall provide to the pupil's parent or legal guardian information, provided by the Michigan federation for the blind, on educational placement options for blind children.

(4) A district or intermediate district that violates this section shall forfeit an amount equal to 5% of the funds due to the district or intermediate district under this article.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018
Compiler's Notes: Former MCL 388.1769a, which pertained to reports, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.

388.1769b Contract in which board member has conflict of interest; abstention from voting.

Sec. 169b.

A board member of a district, intermediate district, public school academy, or public school academy corporation shall abstain from voting on any contract in which the board member has a conflict of interest.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996

388.1771 Repeal of MCL 388.1401 to 388.1572; certain references considered references to former act.

Sec. 171.

(1) Act No. 90 of the Public Acts of 1977, as amended, being sections 388.1401 to 388.1572 of the Compiled Laws of 1970, is repealed.

(2) A reference to a section or subsection of this act applicable to a fiscal year ending before October 1, 1979, shall be considered a reference to the section, subsection, or provision of former Act No. 90 of the Public Acts of 1977 or former Act No. 258 of the Public Acts of 1972, governing the same subject matter, as determined by the department.

History: 1979, Act 94, Eff. Oct. 1, 1979

388.1771a Repealed. 1984, Act 239, Eff. Oct. 1, 1984.

Compiler's Notes: The repealed section pertained to revised method of distributing general membership aid.

388.1772 Effective date.

Sec. 172.

This act shall take effect October 1, 1979.

History: 1979, Act 94, Eff. Oct. 1, 1979

ARTICLE II
STATE AID TO COMMUNITY COLLEGES

***** 388.1801 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1801.amended *****

388.1801 Appropriations; community colleges.

Sec. 201.

(1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, 2026, from the funds indicated in this section. The following is a summary of the appropriations in this section and section 201f:

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(a) The gross appropriation is $493,032,100.00. After deducting total interdepartmental grants and intradepartmental transfers in the amount of $0.00, the adjusted gross appropriation is $493,032,100.00.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, $0.00.

(ii) Total local revenues, $0.00.

(iii) Total private revenues, $0.00.

(iv) Total other state restricted revenues, $493,032,100.00.

(v) State general fund/general purpose money, $0.00.

(2) Subject to subsection (3), the amount appropriated for community college operations is $363,570,600.00, allocated as follows:

(a) The appropriation for Alpena Community College is $6,416,800.00, $6,403,300.00 for operations, $0.00 for performance funding, and $13,500.00 for costs incurred under the North American Indian tuition waiver.

(b) The appropriation for Bay de Noc Community College is $6,390,000.00, $6,298,000.00 for operations, $0.00 for performance funding, and $92,000.00 for costs incurred under the North American Indian tuition waiver.

(c) The appropriation for Delta College is $16,934,200.00, $16,882,400.00 for operations, $0.00 for performance funding, and $51,800.00 for costs incurred under the North American Indian tuition waiver.

(d) The appropriation for Glen Oaks Community College is $2,987,000.00, $2,984,100.00 for operations, $0.00 for performance funding, and $2,900.00 for costs incurred under the North American Indian tuition waiver.

(e) The appropriation for Gogebic Community College is $5,439,100.00, $5,399,000.00 for operations, $0.00 for performance funding, and $40,100.00 for costs incurred under the North American Indian tuition waiver.

(f) The appropriation for Grand Rapids Community College is $21,337,300.00, $21,184,200.00 for operations, $0.00 for performance funding, and $153,100.00 for costs incurred under the North American Indian tuition waiver.

(g) The appropriation for Henry Ford College is $25,305,200.00, $25,300,700.00 for operations, $0.00 for performance funding, and $4,500.00 for costs incurred under the North American Indian tuition waiver.

(h) The appropriation for Jackson College is $14,059,700.00, $14,032,600.00 for operations, $0.00 for performance funding, and $27,100.00 for costs incurred under the North American Indian tuition waiver.

(i) The appropriation for Kalamazoo Valley Community College is $14,751,300.00, $14,704,400.00 for operations, $0.00 for performance funding, and $46,900.00 for costs incurred under the North American Indian tuition waiver.

(j) The appropriation for Kellogg Community College is $11,453,400.00, $11,426,700.00 for operations, $0.00 for performance funding, and $26,700.00 for costs incurred under the North American Indian tuition waiver.

(k) The appropriation for Kirtland Community College is $3,881,400.00, $3,835,100.00 for operations, $0.00 for performance funding, and $46,300.00 for costs incurred under the North American Indian tuition waiver.

(l) The appropriation for Lake Michigan College is $6,427,600.00, $6,408,200.00 for operations, $0.00 for performance funding, and $19,400.00 for costs incurred under the North American Indian tuition waiver.

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(m) The appropriation for Lansing Community College is $36,216,500.00, $36,134,400.00 for operations, $0.00 for performance funding, and $82,100.00 for costs incurred under the North American Indian tuition waiver.

(n) The appropriation for Macomb Community College is $38,251,500.00, $38,160,600.00 for operations, $0.00 for performance funding, and $90,900.00 for costs incurred under the North American Indian tuition waiver.

(o) The appropriation for Mid Michigan Community College is $5,919,500.00, $5,837,000.00 for operations, $0.00 for performance funding, and $82,500.00 for costs incurred under the North American Indian tuition waiver.

(p) The appropriation for Monroe County Community College is $5,368,900.00, $5,368,500.00 for operations, $0.00 for performance funding, and $400.00 for costs incurred under the North American Indian tuition waiver.

(q) The appropriation for Montcalm Community College is $4,035,000.00, $4,033,300.00 for operations, $0.00 for performance funding, and $1,700.00 for costs incurred under the North American Indian tuition waiver.

(r) The appropriation for C.S. Mott Community College is $18,028,100.00, $18,017,800.00 for operations, $0.00 for performance funding, and $10,300.00 for costs incurred under the North American Indian tuition waiver.

(s) The appropriation for Muskegon Community College is $10,403,400.00, $10,359,900.00 for operations, $0.00 for performance funding, and $43,500.00 for costs incurred under the North American Indian tuition waiver.

(t) The appropriation for North Central Michigan College is $4,110,100.00, $3,947,700.00 for operations, $0.00 for performance funding, and $162,400.00 for costs incurred under the North American Indian tuition waiver.

(u) The appropriation for Northwestern Michigan College is $10,874,500.00, $10,619,800.00 for operations, $0.00 for performance funding, and $254,700.00 for costs incurred under the North American Indian tuition waiver.

(v) The appropriation for Oakland Community College is $25,168,400.00, $25,130,000.00 for operations, $0.00 for performance funding, and $38,400.00 for costs incurred under the North American Indian tuition waiver.

(w) The appropriation for Schoolcraft College is $14,997,300.00, $14,972,000.00 for operations, $0.00 for performance funding, and $25,300.00 for costs incurred under the North American Indian tuition waiver.

(x) The appropriation for Southwestern Michigan College is $7,805,700.00, $7,786,600.00 for operations, $0.00 for performance funding, and $19,100.00 for costs incurred under the North American Indian tuition waiver.

(y) The appropriation for St. Clair County Community College is $8,355,300.00, $8,342,000.00 for operations, $0.00 for performance funding, and $13,300.00 for costs incurred under the North American Indian tuition waiver.

(z) The appropriation for Washtenaw Community College is $16,276,300.00, $16,257,300.00 for operations, $0.00 for performance funding, and $19,000.00 for costs incurred under the North American Indian tuition waiver.

(aa) The appropriation for Wayne County Community College is $19,462,800.00, $19,460,300.00 for operations, $0.00 for performance funding, and $2,500.00 for costs incurred under the North American Indian tuition waiver.

(bb) The appropriation for West Shore Community College is $2,914,300.00, $2,896,700.00 for operations, $0.00 for performance funding, and $17,600.00 for costs incurred under the North American Indian tuition waiver.

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(3) The amount appropriated in subsection (2) for community college operations is $363,570,600.00 and is appropriated from the state school aid fund.

(4) From the appropriations described in subsection (1), both of the following apply:

(a) Subject to section 207a, the amount appropriated for fiscal year 2025-2026 to offset certain fiscal year 2025-2026 retirement contributions is $7,189,000.00, appropriated from the state school aid fund.

(b) For fiscal year 2025-2026, there is allocated an amount not to exceed $19,600,000.00 for payments to participating community colleges, appropriated from the state school aid fund. A community college that receives money under this subdivision shall use that money solely for the purpose of offsetting the normal cost contribution rate.

(5) From the appropriations described in subsection (1), subject to section 207b, the amount appropriated for payments to community colleges that are participating entities of the retirement system is $89,500,000.00, appropriated from the state school aid fund.

(6) From the appropriations described in subsection (1), subject to section 207c, the amount appropriated for renaissance zone tax reimbursements is $2,200,000.00, appropriated from the state school aid fund. Each community college receiving funds in this subsection shall accrue these payments to its institutional fiscal year ending June 30, 2026.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2012, Act 465, Imd. Eff. Dec. 28, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Enacting section 2 of Act 52 of 2019 provides:"Enacting section 2. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2019-2020 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, is estimated at $414,719,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is estimated at $414,719,000.00."Enacting section 1 of Act 86 of 2021 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2020-2021 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by 2020 PA 165 and this amendatory act is estimated at $438,363,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2020-2021 is estimated at $438,363,600.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2021-2022 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, is estimated at $431,917,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is estimated at $431,917,000.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2020-2021 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2020 PA 165 and this amendatory act is estimated at $1,631,203,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2020-2021 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2021-2022 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at $1,679,724,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is estimated at $0.00."Subsection (7) as added

by Act 86 of 2021, was vetoed by the governor on September 29, 2021.Subsection (10) as added by Act 144 of 2022 was vetoed by the governor on July 14, 2022.Enacting section 1 of Act 144 of 2022 provides:"Enacting section 1. (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 2021 PA 48, 2022 PA 93, and this amendatory act, from state sources for fiscal year 2021-2022 is estimated at $14,635,534,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at $13,448,739,600.00. 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 2022-2023 is estimated at $17,078,472,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $15,764,187,600.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2022-2023 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $449,058,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $449,058,000.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2021-2022 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2021 PA 86 and this amendatory act, is estimated at $1,979,224,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $1,893,609,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 103 of 2023 provides:"Enacting section 1. (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 $17,632,218,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $16,036,571,400.00. 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 $19,258,857,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,622,688,000.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $544,517,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $544,517,500.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2022 PA 144, 2022 PA 212, and this amendatory act, is estimated at $2,088,109,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 320 of 2023 provides:"Enacting section 1. (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, 2023 PA 103, and this amendatory act, from state sources for fiscal year 2022-2023 is estimated at $17,652,218,900.00 and state

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appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $16,056,571,400.00. 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 2023 PA 103 and this amendatory act, from state sources for fiscal year 2023-2024 is estimated at $19,258,857,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,605,138,000.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by 2023 PA 103 and this amendatory act, is estimated at $549,517,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $549,517,500.00."For the transfer or responsibilities of the Office of Sixty by 30 from the department of labor and economic opportunity to MiLEAP, see E.R.O. No. 2023-2, compiled at MCL 388.1283.Enacting section 1 of Act 120 of 2024 provides:"Enacting section 1. (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 2023 PA 103, 2023 PA 320, and this amendatory act from state sources for fiscal year 2023-2024 is estimated at $19,367,907,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,837,248,400.00. 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 2024-2025 is estimated at $18,371,481,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at $16,928,443,900.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at $550,817,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $550,817,500.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2024-2025 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $462,220,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at $461,720,800.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at $2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2024-2025 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,321,092,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at $70,000.00."Enacting section 1 of Act 15 of 2025 provides:"Enacting section 1. (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 2024 PA 120, 2024 PA 148, and by this amendatory act, from state sources for fiscal year 2024-2025 is estimated at $18,811,776,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at $17,366,388,900.00. 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 2025-2026 is estimated at $18,881,123,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2025-2026 are estimated at $17,433,304,100.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2025-2026 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to

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388.1830, as amended by this amendatory act, is estimated at $493,032,100.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2025-2026 is estimated at $493,032,100.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2025-2026 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,333,712,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2025-2026 is estimated at $0.00."

***** 388.1801.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1801.amended Appropriations; community colleges.

Sec. 201.

(1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, 2027, from the funds indicated in this section. The following is a summary of the appropriations in this section and section 201f:

(a) The gross appropriation is $496,663,500.00. After deducting total interdepartmental grants and intradepartmental transfers in the amount of $0.00, the adjusted gross appropriation is $496,663,500.00.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, $0.00.

(ii) Total local revenues, $0.00.

(iii) Total private revenues, $0.00.

(iv) Total other state restricted revenues, $496,663,500.00.

(v) State general fund/general purpose money, $0.00.

(2) Subject to subsection (3), the amount appropriated for community college operations is $363,594,500.00, allocated as follows:

(a) The appropriation for Alpena Community College is $6,431,400.00, $6,403,300.00 for operations, $0.00 for performance funding, and $28,100.00 for costs incurred under the North American Indian tuition waiver.

(b) The appropriation for Bay de Noc Community College is $6,410,300.00, $6,298,000.00 for operations, $0.00 for performance funding, and $112,300.00 for costs incurred under the North American Indian tuition waiver.

(c) The appropriation for Delta College is $16,928,400.00, $16,882,400.00 for operations, $0.00 for performance funding, and $46,000.00 for costs incurred under the North American Indian tuition waiver.

(d) The appropriation for Glen Oaks Community College is $2,984,500.00, $2,984,100.00 for operations, $0.00 for performance funding, and $400.00 for costs incurred under the North American Indian tuition waiver.

(e) The appropriation for Gogebic Community College is $5,417,900.00, $5,399,000.00 for operations, $0.00 for performance funding, and $18,900.00 for costs incurred under the North American Indian tuition waiver.

(f) The appropriation for Grand Rapids Community College is $21,387,200.00, $21,184,200.00 for operations, $0.00 for performance funding, and $203,000.00 for costs incurred under the North American Indian tuition waiver.

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(g) The appropriation for Henry Ford College is $25,308,100.00, $25,300,700.00 for operations, $0.00 for performance funding, and $7,400.00 for costs incurred under the North American Indian tuition waiver.

(h) The appropriation for Jackson College is $14,054,800.00, $14,032,600.00 for operations, $0.00 for performance funding, and $22,200.00 for costs incurred under the North American Indian tuition waiver.

(i) The appropriation for Kalamazoo Valley Community College is $14,744,600.00, $14,704,400.00 for operations, $0.00 for performance funding, and $40,200.00 for costs incurred under the North American Indian tuition waiver.

(j) The appropriation for Kellogg Community College is $11,470,000.00, $11,426,700.00 for operations, $0.00 for performance funding, and $43,300.00 for costs incurred under the North American Indian tuition waiver.

(k) The appropriation for Kirtland Community College is $3,881,400.00, $3,835,100.00 for operations, $0.00 for performance funding, and $46,300.00 for costs incurred under the North American Indian tuition waiver.

(l) The appropriation for Lake Michigan College is $6,417,300.00, $6,408,200.00 for operations, $0.00 for performance funding, and $9,100.00 for costs incurred under the North American Indian tuition waiver.

(m) The appropriation for Lansing Community College is $36,206,200.00, $36,134,400.00 for operations, $0.00 for performance funding, and $71,800.00 for costs incurred under the North American Indian tuition waiver.

(n) The appropriation for Macomb Community College is $38,187,600.00, $38,160,600.00 for operations, $0.00 for performance funding, and $27,000.00 for costs incurred under the North American Indian tuition waiver.

(o) The appropriation for Mid Michigan Community College is $5,921,400.00, $5,837,000.00 for operations, $0.00 for performance funding, and $84,400.00 for costs incurred under the North American Indian tuition waiver.

(p) The appropriation for Monroe County Community College is $5,371,200.00, $5,368,500.00 for operations, $0.00 for performance funding, and $2,700.00 for costs incurred under the North American Indian tuition waiver.

(q) The appropriation for Montcalm Community College is $4,042,800.00, $4,033,300.00 for operations, $0.00 for performance funding, and $9,500.00 for costs incurred under the North American Indian tuition waiver.

(r) The appropriation for C.S. Mott Community College is $18,032,100.00, $18,017,800.00 for operations, $0.00 for performance funding, and $14,300.00 for costs incurred under the North American Indian tuition waiver.

(s) The appropriation for Muskegon Community College is $10,412,100.00, $10,359,900.00 for operations, $0.00 for performance funding, and $52,200.00 for costs incurred under the North American Indian tuition waiver.

(t) The appropriation for North Central Michigan College is $4,110,600.00, $3,947,700.00 for operations, $0.00 for performance funding, and $162,900.00 for costs incurred under the North American Indian tuition waiver.

(u) The appropriation for Northwestern Michigan College is $10,885,800.00, $10,619,800.00 for operations, $0.00 for performance funding, and $266,000.00 for costs incurred under the North American Indian tuition waiver.

(v) The appropriation for Oakland Community College is $25,166,900.00, $25,130,000.00 for operations, $0.00 for performance funding, and $36,900.00 for costs incurred under the North American Indian tuition waiver.

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(w) The appropriation for Schoolcraft College is $14,989,100.00, $14,972,000.00 for operations, $0.00 for performance funding, and $17,100.00 for costs incurred under the North American Indian tuition waiver.

(x) The appropriation for Southwestern Michigan College is $7,803,100.00, $7,786,600.00 for operations, $0.00 for performance funding, and $16,500.00 for costs incurred under the North American Indian tuition waiver.

(y) The appropriation for St. Clair County Community College is $8,351,300.00, $8,342,000.00 for operations, $0.00 for performance funding, and $9,300.00 for costs incurred under the North American Indian tuition waiver.

(z) The appropriation for Washtenaw Community College is $16,289,700.00, $16,257,300.00 for operations, $0.00 for performance funding, and $32,400.00 for costs incurred under the North American Indian tuition waiver.

(aa) The appropriation for Wayne County Community College is $19,464,000.00, $19,460,300.00 for operations, $0.00 for performance funding, and $3,700.00 for costs incurred under the North American Indian tuition waiver.

(bb) The appropriation for West Shore Community College is $2,924,700.00, $2,896,700.00 for operations, $0.00 for performance funding, and $28,000.00 for costs incurred under the North American Indian tuition waiver.

(3) The amount appropriated in subsection (2) for community college operations is $363,594,500.00 and is appropriated from the state school aid fund.

(4) From the appropriations described in subsection (1), both of the following apply:

(a) Subject to section 207a, the amount appropriated for fiscal year 2026-2027 to offset certain fiscal year 2026-2027 retirement contributions is $7,189,000.00, appropriated from the state school aid fund.

(b) For fiscal year 2026-2027, there is allocated an amount not to exceed $20,750,000.00 for payments to participating community colleges, appropriated from the state school aid fund. A community college that receives money under this subdivision shall use that money solely for the purpose of offsetting the normal cost contribution rate.

(5) From the appropriations described in subsection (1), subject to section 207b, the amount appropriated for payments to community colleges that are participating entities of the retirement system is $84,800,000.00 appropriated from the state school aid fund.

(6) From the appropriations described in subsection (1), subject to section 207c, the amount appropriated for renaissance zone tax reimbursements is $2,200,000.00, appropriated from the state school aid fund. Each community college receiving funds in this subsection shall accrue these payments to its institutional fiscal year ending June 30, 2027.

(7) For fiscal year 2026-2027 only, from the appropriations described in subsection (1), a grant must be made available to a community college for the continuation of the Michigan Maritime Manufacturing Initiative that is $3,500,000.00, appropriated from the state school aid fund. The department of labor and economic opportunity shall administer the funds under this subsection for up to $3,500,000.00 for the Michigan Maritime Manufacturing Initiative, which is a partnership between the state and federal government aimed at building a workforce ready to lead the future of defense manufacturing through the teaching of critical skills for maritime construction, particularly in maritime welding and maritime machining. Funds allocated under this grant must be used to provide instruction and certification in maritime welding, maritime machining, and maritime construction. Grant applicants must be a community college with a program that can be used to support the purpose of the project by providing instruction and certifications in maritime welding, maritime machining, and maritime construction.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2012, Act 465, Imd. Eff. Dec. 28, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Enacting section 2 of Act 52 of 2019 provides:"Enacting section 2. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2019-2020 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, is estimated at $414,719,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is estimated at $414,719,000.00."Enacting section 1 of Act 86 of 2021 provides:"Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2020-2021 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by 2020 PA 165 and this amendatory act is estimated at $438,363,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2020-2021 is estimated at $438,363,600.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2021-2022 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, is estimated at $431,917,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is estimated at $431,917,000.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2020-2021 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2020 PA 165 and this amendatory act is estimated at $1,631,203,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2020-2021 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2021-2022 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at $1,679,724,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is estimated at $0.00."Subsection (7) as added by Act 86 of 2021, was vetoed by the governor on September 29, 2021.Subsection (10) as added by Act 144 of 2022 was vetoed by the governor on July 14, 2022.Enacting section 1 of Act 144 of 2022 provides:"Enacting section 1. (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 2021 PA 48, 2022 PA 93, and this amendatory act, from state sources for fiscal year 2021-2022 is estimated at $14,635,534,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at $13,448,739,600.00. 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 2022-2023 is estimated at $17,078,472,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $15,764,187,600.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2022-2023 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $449,058,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $449,058,000.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2021-2022 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2021 PA 86 and this amendatory act, is estimated at $1,979,224,800.00 and the amount of that state spending from

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state sources to be paid to local units of government for fiscal year 2021-2022 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $1,893,609,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 103 of 2023 provides:"Enacting section 1. (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 $17,632,218,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $16,036,571,400.00. 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 $19,258,857,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,622,688,000.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $544,517,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $544,517,500.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2022 PA 144, 2022 PA 212, and this amendatory act, is estimated at $2,088,109,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 320 of 2023 provides:"Enacting section 1. (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, 2023 PA 103, and this amendatory act, from state sources for fiscal year 2022-2023 is estimated at $17,652,218,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $16,056,571,400.00. 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 2023 PA 103 and this amendatory act, from state sources for fiscal year 2023-2024 is estimated at $19,258,857,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,605,138,000.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by 2023 PA 103 and this amendatory act, is estimated at $549,517,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $549,517,500.00."For the transfer or responsibilities of the Office of Sixty by 30 from the department of labor and economic opportunity to MiLEAP, see E.R.O. No. 2023-2, compiled at MCL 388.1283.Enacting section 1 of Act 120 of 2024 provides:"Enacting section 1. (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 2023 PA 103, 2023 PA 320, and this amendatory act from state sources for fiscal year 2023-2024 is estimated at $19,367,907,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,837,248,400.00. 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

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to 388.1772, as amended by this amendatory act, from state sources for fiscal year 2024-2025 is estimated at $18,371,481,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at $16,928,443,900.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at $550,817,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $550,817,500.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2024-2025 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $462,220,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at $461,720,800.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at $2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2024-2025 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,321,092,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at $70,000.00."Enacting section 1 of Act 15 of 2025 provides:"Enacting section 1. (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 2024 PA 120, 2024 PA 148, and by this amendatory act, from state sources for fiscal year 2024-2025 is estimated at $18,811,776,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at $17,366,388,900.00. 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 2025-2026 is estimated at $18,881,123,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2025-2026 are estimated at $17,433,304,100.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2025-2026 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $493,032,100.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2025-2026 is estimated at $493,032,100.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2025-2026 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,333,712,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2025-2026 is estimated at $0.00."Enacting section 1 of Act 25 of 2026 provides:"Enacting section 1. (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 2025 PA 15 and this amendatory act, from state sources for fiscal year 2025-2026 is estimated at $18,693,813,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2025-2026 are estimated at $17,245,994,700.00. 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 2026-2027 is estimated at $19,390,174,600.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2026-2027 are estimated at $17,908,356,700.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2026-2027 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $496,663,500.00 and the amount of that

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state spending from state sources to be paid to local units of government for fiscal year 2026-2027 is estimated at $496,663,500.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2026-2027 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,606,632,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2026-2027 is estimated at $0.00."

388.1801a Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to legislative intent for appropriations for fiscal year ending September 30, 2021.

388.1801b Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: The repealed section pertained to appropriation to participating community colleges of retirement system.

388.1801c Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to federal funding to community colleges from the coronavirus relief fund.

388.1801e Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to operational support payments to community colleges for the 2020-2021 fiscal year.

***** 388.1801f THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1801f.amended *****

388.1801f One-time performance funding payments.

Sec. 201f.

For fiscal year 2025-2026 only, from the appropriations described in section 201(1), $10,972,500.00 is appropriated from the state school aid fund for a 1-time performance funding payment. Funds appropriated under this section, subject to conditions described in sections 217b and 230, must be distributed as follows:

(a) Alpena Community College, $271,100.00.
(b) Bay de Noc Community College, $178,200.00.
(c) Delta College, $493,300.00.
(d) Glen Oaks Community College, $91,200.00.
(e) Gogebic Community College, $139,500.00.
(f) Grand Rapids Community College, $685,500.00.
(g) Henry Ford College, $750,900.00.
(h) Jackson College, $364,800.00.
(i) Kalamazoo Valley Community College, $433,700.00.
(j) Kellogg Community College, $324,400.00.

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(k) Kirtland Community College, $146,500.00.
(l) Lake Michigan College, $192,200.00.
(m) Lansing Community College, $924,700.00.
(n) Macomb Community College, $1,090,600.00.
(o) Mid Michigan Community College, $193,900.00.
(p) Monroe County Community College, $206,600.00.
(q) Montcalm Community College, $122,300.00.
(r) C.S. Mott Community College, $491,700.00.
(s) Muskegon Community College, $298,600.00.
(t) North Central Michigan College, $144,300.00.
(u) Northwestern Michigan College, $289,400.00.
(v) Oakland Community College, $816,500.00.
(w) Schoolcraft College, $503,200.00.
(x) Southwestern Michigan College, $210,400.00.
(y) St. Clair County Community College, $258,200.00.
(z) Washtenaw Community College, $664,900.00.
(aa) Wayne County Community College, $600,900.00.
(bb) West Shore Community College, $85,000.00.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1801f.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1801f.amended One-time performance funding payments.

Sec. 201f.

For fiscal year 2026-2027 only, from the appropriations described in section 201(1), $14,630,000.00 is appropriated from the state school aid fund for a 1-time performance funding payment. Funds appropriated under this section, subject to conditions described in sections 217b and 230, must be distributed as follows:

(a) Alpena Community College, $233,300.00.
(b) Bay de Noc Community College, $234,700.00.
(c) Delta College, $644,400.00.
(d) Glen Oaks Community College, $132,700.00.
(e) Gogebic Community College, $212,000.00.
(f) Grand Rapids Community College, $902,800.00.
(g) Henry Ford College, $990,300.00.
(h) Jackson College, $513,000.00.
(i) Kalamazoo Valley Community College, $615,100.00.
(j) Kellogg Community College, $433,800.00.
(k) Kirtland Community College, $212,400.00.
(l) Lake Michigan College, $284,000.00.
(m) Lansing Community College, $1,189,000.00.
(n) Macomb Community College, $1,450,400.00.
(o) Mid Michigan Community College, $254,500.00.
(p) Monroe County Community College, $230,100.00.
(q) Montcalm Community College, $162,700.00.

(r) C.S. Mott Community College, $658,400.00.
(s) Muskegon Community College, $394,200.00.
(t) North Central Michigan College, $217,800.00.
(u) Northwestern Michigan College, $387,800.00.
(v) Oakland Community College, $1,146,800.00.
(w) Schoolcraft College, $684,300.00.
(x) Southwestern Michigan College, $276,800.00.
(y) St. Clair County Community College, $360,200.00.
(z) Washtenaw Community College, $881,100.00.
(aa) Wayne County Community College, $792,600.00.
(bb) West Shore Community College, $134,800.00.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1801g Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to the reallocation of state fiscal recovery funds for full utilization.

388.1801h Appropriations; participating community colleges.

Sec. 201h.

In addition to funds appropriated under section 201(4)(b), as amended by 2025 PA 15, for fiscal year 2025-2026 only, $2,400,000.00 is appropriated from the state school aid fund for payments to participating community colleges. A community college that receives money under this section shall use that money solely for the purpose of offsetting the normal cost contribution rate.

History: Add. 2026, Act 25, Imd. Eff. July 21, 2026
Compiler's Notes: Former MCL 388.1801h, which pertained to payments to participating community colleges to offset the normal cost contribution rate, was repealed by Act 15 of 2025, Imd. Eff. Oct. 7, 2025.

***** 388.1801i THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1801i.amended *****

388.1801i Legislatively directed spending items; transparency requirements.

Sec. 201i.

(1) Not later than 30 days after the enactment of the amendatory act that added this section, the legislature shall provide to the responsible entity and the state budget director a list of legislatively directed spending items, which may be referred to in this section as grants or direct appropriation grants, funded under the amendatory act that added this section consistent with house or senate rules and this section. The list must include all information and

documents pertaining to the funded items as publicly disclosed in accordance with house or senate rules and this section.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the responsible entity shall perform, at a minimum, at least all of the following activities to administer the grants described in subsection (1):

(a) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The responsible entity shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(b) Verify to the extent possible that a grant recipient is a not-for-profit entity and will use funds as publicly disclosed and for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(c) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. The responsible entity may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(d) Disburse the grant money per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the responsible entity, to verify that expenditures were made in accordance with the project purpose.

(e) If the state budget director determines that information provided by the grantee does not meet the disclosure requirements, that the grant will be used to pay a tax lien, delinquent tax, or other obligation owed to this state, or that the grant will create a conflict of interest, the responsible entity shall not release the grant money to the grantee. Money that is not released under this subdivision lapses at the end of the fiscal year. There is not a conflict of interest if the sponsoring legislator certifies that the sponsoring legislator's immediate family members, legislative staff members that have worked for the sponsoring legislator within the past 2 years, and the sponsoring legislator do not have a direct or indirect pecuniary interest in the legislatively directed spending item.

(3) An executed grant agreement under this section between the responsible entity and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information necessary for the responsible entity to administer grant money under this section.

(b) A description of the project for which the grant money will be expended, including tentative timelines and the estimated budget. Project budget must include how all grant money will be used and must indicate if any grant money will be provided to a third party or subrecipient. The responsible entity shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations under the amendatory act that added this section. The grantee shall return to the state treasury any interest in excess of $1,000.00 earned on the grant money while unexpended and in possession of the grantee.

(c) Unless otherwise specified in the responsible entity's policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of the amendatory act that added this section.

(d) A requirement for reporting by the grant recipient to the responsible entity and the legislative sponsor that provides the status of the project and an accounting of all money expended by the grant recipient, as determined by the responsible entity.

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(e) A clawback provision that allows the department of treasury to recoup or otherwise collect any grant money that is declined, unspent, or otherwise misused.

(f) The documents publicly disclosed under subsection (1).

(4) If appropriate to improve the administration or oversight of a grant described in subsection (1), the responsible entity may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(5) A grant recipient shall respond to all reasonable information requests from the responsible entity related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audit as determined by the responsible entity. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient authorized to bind the grant recipient that the requirements of this subsection will be met.

(6) The grant recipient shall expend all grant money awarded and complete all projects not later than September 30, 2030. If at that time any unexpended money remains, the grant recipient shall return that money to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2026, the responsible entity shall return money associated with the grant to the state treasury.

(7) Any grant money that is awarded to a responsible entity is appropriated in that responsible entity for the purpose of the intended grant.

(8) Except as otherwise provided in subsection (9), beginning March 15 of the current fiscal year, the responsible entity shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of money allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The responsible entity shall update the report and post the updated report in a publicly accessible location on its website not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The responsible entity shall include in the report the most comprehensive information the responsible entity has available at the time of posting for grants awarded.

(9) If the state budget office determines that it is more efficient for the state budget office to compile all affected responsible entities' information and post a report of the compiled information rather than the report required under subsection (8) being posted by individual responsible entities, the state budget office may compile that information across all affected responsible entities and other state departments and post the compiled report and any updates on the same time schedule as identified in subsection (8).

(10) If the responsible entity reasonably determines that the money allocated for an executed grant agreement under this section was misused or that use of the money was misrepresented by the grant recipient, the responsible entity shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols, which may include referral for criminal investigation.

(11) As used in this section, "responsible entity" means the department of lifelong education, advancement, and potential, a community college, or other person that administers a grant under this article.

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1801i.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1801i.amended Legislatively directed spending items; report and posting requirements.

Sec. 201i.

(1) Within 30 days of the enactment of an amendatory act to this article, the house and senate shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded by the amendatory act. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with sections 364 and 364a of the management and budget act, 1984 PA 431, MCL 18.1364 and 18.1364a. As used in this subsection, "legislatively directed spending item" means that term as defined in section 364 of the management and budget act, 1984 PA 431, MCL 18.1364.

(2) In accordance with section 364(4) of the management and budget act, 1984 PA 431, MCL 18.1364, the department or agency administering the grant described in subsection (1) shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department or agency shall include in the report the most comprehensive information the department or agency has available at the time of posting for grants awarded.

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History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1802 Appropriations subject to MCL 18.1101 to 18.1594.

Sec. 202.

All appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012

***** 388.1802a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1802a.amended *****

388.1802a Definitions.

Sec. 202a.

As used in this article:

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

(b) "College level equivalent credit examination" means an examination that is administered by an independent testing service and that is used by colleges and universities generally to award postsecondary credit for achievement of a particular score, and includes, but is not limited to, advanced placement examinations, the DANTES Subject Standardized Test (DSST), and college-level examination program (CLEP) examinations.

(c) "Participating college" means a community college that is a reporting unit of the retirement system and that reports employees to the retirement system for the state fiscal year.

(d) "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.

History: Add. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023
Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1802a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1802a.amended Definitions.

Sec. 202a.

As used in this article:

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

(b) "College level equivalent credit examination" means an examination that is administered by an independent testing service and that is used by colleges and universities generally to award postsecondary credit for achievement of a particular score, and includes, but is not limited to, advanced placement examinations, the DANTES Subject Standardized Test (DSST), and college-level examination program (CLEP) examinations.

(c) "Participating college" means a community college that is a reporting unit of the retirement system and that reports employees to the retirement system for the state fiscal year.

(d) "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.

(e) "Standard report recipients" means the senate and house appropriations committees, the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

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History: Add. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1803 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1803.amended *****

388.1803 Reporting requirements; use of internet.

Sec. 203.

Unless otherwise specified, a community college that receives appropriations in section 201 and the center shall use the internet to fulfill the reporting requirements of this article. This requirement includes transmission of reports via electronic mail to the recipients identified for each reporting requirement and placement of reports on an internet site.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020
Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1803.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1803.amended Reporting requirements; use of internet.

Sec. 203.

(1) Unless otherwise specified, a community college that receives appropriations in section 201 and the center shall use the internet to fulfill the reporting requirements of this article. This requirement includes transmission of reports via electronic mail to the recipients identified for each reporting requirement and placement of each required report in a single archivable location on an internet site, not later than the due date required for each report.

(2) In addition to placing all required reports in the current fiscal year on the community college's website, a community college shall maintain on its website all reports placed on the website from previous 7 fiscal years, posted by fiscal year in the same single archivable location. This requirement does not apply to the center.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

388.1804 Goods or services provided by Michigan businesses; preference.

Sec. 204.

Funds appropriated in section 201 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses that are owned and operated by veterans, if they are competitively priced and of comparable quality.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012

***** 388.1805 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1805.amended *****

388.1805 Geographically disadvantaged business enterprises; contracts.

Sec. 205.

To the extent possible, the principal executive officer of each community college that receives appropriations in section 201 shall take all reasonable steps to ensure that geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each principal executive officer shall strongly encourage businesses with which the community college contracts to subcontract with certified geographically disadvantaged business enterprises for services or supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

***** 388.1805.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1805.amended Geographically disadvantaged business enterprises; contracts.

Sec. 205.

To the extent possible, the principal executive officer of each community college that receives appropriations in section 201 shall take all reasonable steps to ensure that geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each principal executive officer shall strongly encourage businesses with which the community college contracts to subcontract with certified geographically disadvantaged business enterprises for services or supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2019-8.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1806 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1806.amended *****

388.1806 Payments to community colleges; monthly or quarterly installments.

Sec. 206.

(1) Except for the funds appropriated in section 201(4)(b), the funds appropriated in section 201 are appropriated for community colleges with fiscal years ending June 30, 2026 and must be paid out of the state treasury and distributed by the state treasurer to the respective community colleges in 11 monthly installments on the sixteenth of each month, or the next

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succeeding business day, beginning with October 16, 2025. Each community college shall accrue its July and August 2026 payments to its institutional fiscal year ending June 30, 2026.

(2) The funds appropriated in section 201(4)(b) are appropriated for community colleges with fiscal years ending June 30, 2026 and must be distributed to the respective community colleges in quarterly installments on the sixteenth of each November, February, May, and August. Each community college shall accrue its August 2026 payments to its institutional fiscal year ending June 30, 2026.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1806.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1806.amended Payments to community colleges; monthly or quarterly installments.

Sec. 206.

(1) Except for the funds appropriated in sections 201(4)(b) and 201(7), the funds appropriated in sections 201 and 201f are appropriated for community colleges with fiscal years ending June 30, 2027 and must be paid out of the state treasury and distributed by the state treasurer to the respective community colleges in 11 monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2026. Each community college shall accrue its July and August 2027 payments to its institutional fiscal year ending June 30, 2027.

(2) The funds appropriated in section 201(4)(b) are appropriated for community colleges with fiscal years ending June 30, 2027 and must be distributed to the respective community colleges in quarterly installments on the sixteenth of each November, February, May, and August. Each community college shall accrue its August 2027 payments to its institutional fiscal year ending June 30, 2027.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1807 Payment of employer's contribution to Michigan public school employees' retirement system; payment to more than 1 fund prohibited.

Sec. 207.

CAUTION! This document is from an archive and may contain outdated information.

(1) A community college shall pay the employer's contributions to the Michigan public school employees' retirement system created by the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437. This payment is a condition of receiving funds appropriated under this article.

(2) A community college shall not pay an employer's contribution to more than 1 retirement fund providing benefits for an employee.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016

388.1807a Allocations to community colleges; use; basis.

Sec. 207a.

The following apply to the allocation of the appropriations described in section 201(4):

(a) A community college that receives money under section 201(4) shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the college for that fiscal year.

(b) The amount allocated to each participating community college under section 201(4)(a) must be based on each college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year.

(c) The amount allocated to each participating community college under section 201(4)(b) must be based on each college's reported quarterly payroll for members for the current fiscal year.

CAUTION! This document is from an archive and may contain outdated information.

History: Add. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1807b Payments to community colleges as participating entities of retirement system.

Sec. 207b.

All of the following apply to the allocation of the appropriation described in section 201(5) for payments to community colleges that are participating entities of the retirement system:

(a) The amount of a payment under section 201(5) must be 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 15.21% 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 15.21% under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(b) The amount allocated to each community college under section 201(5) must be based on each community college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year. A community college that receives funds under this subdivision shall use the funds solely for the purpose of retirement contributions under section 201(5).

(c) Each participating college that receives funds under section 201(5) shall forward an amount equal to the amount allocated under subdivision (b) to the retirement system in a form and manner determined by the retirement system.

History: Add. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1807c THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1807c.amended *****

388.1807c Allocation to community colleges described in MCL 125.2692.

Sec. 207c.

All of the following apply to the allocation of the appropriations described in section 201(6) to community colleges described in section 12(3) of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

(a) The amount allocated to each community college under section 201(6) for fiscal year 2025-2026 must be based on that community college's proportion of total revenue lost by community colleges as a result of the exemption of property taxes levied in 2025 under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(b) The appropriations described in section 201(6) must be made to each eligible community college within 60 days after the department of treasury certifies to the state budget director that it has received all necessary information to properly determine the amounts payable to each eligible community college under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

CAUTION! This document is from an archive and may contain outdated information.

History: Add. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1807c.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1807c.amended Allocation to community colleges described in MCL 125.2692.

Sec. 207c.

All of the following apply to the allocation of the appropriations described in section 201(6) to community colleges described in section 12(3) of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

(a) The amount allocated to each community college under section 201(6) for fiscal year 2026-2027 must be based on that community college's proportion of total revenue lost by community colleges as a result of the exemption of property taxes levied in 2026 under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(b) The appropriations described in section 201(6) must be made to each eligible community college within 60 days after the department of treasury certifies to the state budget director that it has received all necessary information to properly determine the amounts payable to each eligible community college under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

History: Add. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1808 Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to prohibition on community colleges using funds for self-liquidating projects and a reduction in funding for failure to comply with joint capital outlay subcommittee requirements.

388.1809 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to Michigan Community College Data Inventory Report.

388.1809a Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to a campus safety information and resources link.

388.1810 Collaboration and cooperation with 4-year universities, local employers, students, and other community colleges; equivalency standards.

Sec. 210.

(1) Recognizing the critical importance of education in strengthening Michigan's workforce, each community college shall explore ways of increasing collaboration and cooperation with 4-year universities, particularly in the areas related to training, instruction, and program articulation.

(2) Recognizing the central role of community colleges in responding to local employment needs and challenges, community colleges shall develop and continue efforts to collaborate with local employers and students to identify local employment needs and strategies to meet them.

(3) Community colleges shall collaborate with each other on innovations to identify and meet local employment needs.

(4) Community colleges shall work with universities to develop equivalency standards of core college courses and identify equivalent courses offered by postsecondary institutions.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1810a Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: The repealed section pertained to transferability of core college courses between community colleges and public universities.

***** 388.1810b THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1810b.amended *****

388.1810b Submission of report on transfer student outcomes by Michigan Community College Association and Michigan Association of State Universities.

Sec. 210b.

By March 1 of each year, the Michigan Community College Association and the Michigan Association of State Universities shall submit a report to the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, the department of lifelong education, advancement, and potential, and the state budget director on the activities and programs focused on improving transfer student outcomes since March 1 of the previous year, including all of the following:

(a) The direct transferability of mathematics gateway courses between and among community colleges and universities.

(b) The implementation of MiTransfer pathways.

(c) The progress on increasing participation in MiTransfer pathways among community colleges and public universities.

(d) The implementation of the Michigan Transfer Network at mitransfer.org.

(e) A progress report on the implementation of the Michigan transfer agreement.

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History: Add. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1810b.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1810b.amended Submission of report on transfer student outcomes by Michigan Community College Association and Michigan Association of State Universities.

Sec. 210b.

By March 1 of each year, the Michigan Community College Association and the Michigan Association of State Universities shall submit a report to the standard report recipients and the department of lifelong education, advancement, and potential on the activities and programs focused on improving transfer student outcomes since March 1 of the previous year, including all of the following:

(a) The direct transferability of mathematics gateway courses between and among community colleges and universities.

(b) The implementation of MiTransfer pathways.

(c) The progress on increasing participation in MiTransfer pathways among community colleges and public universities.

(d) The implementation of the Michigan Transfer Network at mitransfer.org.

(e) A progress report on the implementation of the Michigan transfer agreement.

History: Add. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1810c Repealed. 2016, Act 249, Eff. Oct. 1, 2016.

Compiler's Notes: The repealed section pertained to transferability and applicability of associate of arts and associate of science degrees.

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388.1810d Statewide reverse transfer agreements.

Sec. 210d.

(1) Community colleges shall work with public universities in this state to implement statewide reverse transfer agreements to increase the number of students that are awarded credentials of value upon completion of the necessary credits. These statewide agreements must enable students who have earned a significant number of credits at a community college and transferred to a baccalaureate-granting institution before completing a degree to transfer the credits earned at the baccalaureate institution back to the community college in order to be awarded a credential of value.

(2) Each community college receiving an appropriation under section 201 shall consult with the department of lifelong education, advancement, and potential at least once an academic year on the policies and services the institution implements regarding transfer credits and transfer students.

History: Add. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1810e Repealed. 2017, Act 108, Eff. October 1, 2017.

Compiler's Notes: The repealed section pertained to report detailing number of academic program partnerships between public community colleges, public universities, and private colleges and universities.

388.1810f Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to academic program partnerships.

388.1810g Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to articulation agreements with a university for a bachelor of science in nursing program.

388.1810h Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to a mandatory COVID-19 vaccine policy and exemptions.

388.1811 Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to duties of community colleges.

***** 388.1812 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1812.amended *****

388.1812 Cost-containment measures and efficiencies.

Sec. 212.

Community college districts are encouraged to evaluate and pursue efficiency and cost-containment measures that maximize state funding. Community colleges shall identify practices that increase efficiencies, including, but not limited to, establishing joint ventures, consolidating services, utilizing program collaborations, maximizing educational benefits through optimal class sizes and frequency of course offerings, eliminating low-enrollment and high-cost instructional programs, using self-insurance, practicing energy conservation, and utilizing group purchasing. Community colleges shall also review proposed capital outlay projects to increase coordination and utilization of new facilities, renovation projects, and technology improvements.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1812.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1812.amended Cost-containment measures and efficiencies.

Sec. 212.

Community college districts are encouraged to evaluate and pursue efficiency and cost-containment measures that maximize state funding. Community colleges shall identify practices that increase efficiencies, including, but not limited to, establishing joint ventures, consolidating services, utilizing program collaborations, maximizing educational benefits through optimal class sizes and frequency of course offerings, increasing web-based instruction, eliminating low-enrollment and high-cost instructional programs, using self-insurance, practicing energy conservation, and utilizing group purchasing. Community

colleges shall also review proposed capital outlay projects to increase coordination and utilization of new facilities, renovation projects, and technology improvements.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1813.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1813.added Annual report on work project accounts.

Sec. 213.

Not later than 6 months after the state budget office issues work project letters, and again on or by April 15, the state budget office shall submit an annual report that summarizes all work project accounts to the standard report recipients. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1813, which pertained to the statewide reverse transfer agreements, was repealed by Act 85 of 2015, Eff. Oct. 1, 2015.

388.1814 Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to developmental courses and common set of scores to determine placement.

388.1815 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to an annual title IX report.

388.1816 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to expansion of the Michigan reconnect grant program short-term training grants to include students who are at least 21 years old.Former MCL 388.1816, which pertained to legislative intent to review statutory mandates, was repealed by Act 60 of 2013, Eff. Oct. 1, 2013.

388.1816a Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the community college academic catch-up program.

388.1816b Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the Michigan ADN to BSN completion grant program.

388.1816c Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to funding for infrastructure, technology, equipment, maintenance, housing, and safety items.

388.1816d Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to payments for capital outlay project grants and certifications.

388.1816e Performance funding; institutional best practices; uniform reporting requirements.

Sec. 216e.

(1) Payments under section 201 for performance funding must be made only to a community college that certifies to the state budget director by the last business day of August each year that it complies with the following:

(a) The institutional best practice described in subdivision (c).

(b) One or more of the institutional best practices described in subdivisions (d) to (g).

(c) The community college accepts the Michigan Transfer Agreement, partners with the Michigan Transfer Network, and promotes clear transfer pathways for interested students by doing all of the following:

(i) Has a policy to help transfer or accept associate degrees from other accredited Michigan postsecondary education institutions.

(ii) Publishes the policy described in subparagraph (i) on the institution's website in an easily accessible way and in admissions materials.

(iii) Provides publicly available information on the Michigan Transfer Network, applicable transfer pathways, and financial aid available to transfer students, at no cost to the student.

(iv) Begins negotiations to increase the number of reverse transfer agreements or articulation agreements and reports on the progress toward completing the agreements to the state budget director by the last business day in February.

(d) The community college requires all students to receive an academic degree or certificate map that outlines required course sequencing, program and institution requirements, declared minor program academic requirements, and a recommended timeline within which courses should be taken and in which specific semester or term in order to satisfy all program requirements to allow the student to graduate on time.

(e) The community college provides non-credit-bearing developmental or remedial courses at a reduced cost to students.

(f) The community college provides each degree- or certificate-seeking student with a designated, trained academic advisor to support student retention, persistence, and completion.

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The community college shall require students to meet with their academic advisor at least once per semester or term.

(g) The community college provides employees during business hours to assist prospective and current students in completing the Free Application for Federal Student Aid.

(2) The state budget director shall implement uniform reporting requirements to ensure that a community college receiving a payment under section 201 for performance funding has satisfied the institutional best practices requirements of this section. The state budget director has the sole authority to determine if a community college has met the requirements of this section. Information reported by a community college to the state budget director under this subsection must also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

(3) If a community college fails to comply with the certification requirements of this section, the state treasurer may withhold the monthly installments under section 206 to the community college until the certification is completed. If a community college does not comply with the certification requirements described in this section by the end of the fiscal year, the community college forfeits the amount withheld. Forfeited funds must lapse to the state school aid fund. The state budget director shall notify the chairs of the house and senate appropriations subcommittees on higher education at least 10 days before withholding funds from any community college.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1817 Duties of center; Michigan Community College Data Inventory database; advisory committee.

Sec. 217.

(1) The center shall do all of the following:

(a) Establish, maintain, and coordinate the state community college database commonly known as the "Michigan Community College Data Inventory".

(b) Collect data concerning community colleges and community college programs in this state, including data required by law.

(c) Establish procedures to ensure the validity and reliability of the data and the collection process.

(d) Develop model data collection policies, including, but not limited to, policies that ensure the privacy of any individual student data. Privacy policies must ensure that student Social Security numbers are not released to the public for any purpose.

(e) Provide data in a useful manner to allow state policymakers and community college officials to make informed policy decisions.

(f) Compile and publish electronically the demographic enrollment profile.

(g) Compile and publish the community college performance improvement and performance completion rate data to support the performance funding formula metrics specified in section 230(1)(c) and (e).

(2) There is created within the center the Michigan Community College Data Inventory advisory committee. The committee shall provide advice to the director of the center regarding the management of the state community college database, including, but not limited to:

(a) Determining what data are necessary to collect and maintain to enable state and community college officials to make informed policy decisions.

(b) Defining the roles of all stakeholders in the data collection system.

(c) Recommending timelines for the implementation and ongoing collection of data.

(d) Establishing and maintaining data definitions, data transmission protocols, and system specifications and procedures for the efficient and accurate transmission and collection of data.

(e) Establishing and maintaining a process for ensuring the accuracy of the data.

(f) Establishing and maintaining policies related to data collection, including, but not limited to, privacy policies related to individual student data.

(g) Ensuring that the data are made available to state policymakers and citizens of this state in the most useful format possible.

(h) Addressing other matters as determined by the director of the center or as required by law.

(3) The Michigan Community College Data Inventory advisory committee created in subsection (2) consists of the following members:

(a) One representative from the house fiscal agency, appointed by the director of the house fiscal agency.

(b) One representative from the senate fiscal agency, appointed by the director of the senate fiscal agency.

(c) One representative from the department of labor and economic opportunity, appointed by the director of the department of labor and economic opportunity.

(d) One representative from the center, appointed by the director of the center.

(e) One representative from the state budget office, appointed by the state budget director.

(f) One representative from the department of lifelong education, advancement, and potential, appointed by the director of the department of lifelong education, advancement, and potential.

(g) One representative from the governor's policy office, appointed by that office.

(h) Four representatives of the Michigan Community College Association, appointed by the president of the association, that represent a diverse mix of college sizes.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1817a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1817a.amended *****

388.1817a Community college annual reporting requirements.

Sec. 217a.

(1) Each community college that receives an appropriation in section 201 shall submit all of the following information in the form and manner specified by the center:

(a) The Michigan community colleges verified data inventory data for the preceding academic year to the center by the first business day of November of each year as specified in section 217.

(b) Tuition and mandatory fees information as specified in section 217b.

(c) The longitudinal data set to the center as specified in section 219.

(d) The number and type of associate degrees, baccalaureate degrees, and other certificates awarded as specified in section 219.

(e) The annual independent audit as specified in section 222.

(2) If the state budget director determines that a community college failed to submit any of the information described in subsection (1) in the form and manner specified by the center, the state treasurer may withhold the monthly state operations installments described in section 201 from that community college until those data are submitted. If a community college does not submit any of the information described in subsection (1) by the end of the fiscal year, the community college forfeits any withheld amount. The state budget director shall notify the chairs of the house and senate appropriations subcommittees on community colleges at least 10 days before withholding funds from any community college.

(3) It is intended that accountability reporting for community colleges will be streamlined through the center. The state budget director and the center shall work to combine the reporting requirements outlined in this subsection with the existing Michigan community colleges verified data inventory collection cycle. All of the following must be reported to the house and senate fiscal agencies and the state budget director:

(a) Each community college's certification of its compliance with the requirements described in subsections (4) and (5).

(b) The reporting and certification requirements of subsections (6) and (7) and section 217b.

(4) No later than the last business day of November of each year, each community college that receives an appropriation in section 201 shall make all of the information described in subdivisions (a) to (g) available through a link on its website homepage, subject to subdivision (h), as follows:

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

(b) A link to the most recent "Michigan Community College Data Inventory Report".

(c) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.

(d) A listing of all debt service obligations, detailed by project, anticipated payment of each project, and total outstanding debt for the current fiscal year.

(e) Links to all of the following for the community college:

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

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

(iii) Audits and financial reports for the most recent fiscal year for which they are available.

(iv) A copy of the board of trustees resolution regarding compliance with best practices for the local strategic value component described in section 230(2).

(f) A map that includes the boundaries of the community college district.

(g) A prominent link to the financial aid website created under section 260.

(h) For statewide consistency and public visibility, community colleges shall use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each community college's homepage. The size of the icon may be reduced to 150 x 150 pixels.

(5) No later than the last business day of November of each year, each community college that receives an appropriation in section 201 shall develop, maintain, and update a "campus safety information and resources" link, prominently displayed on the homepage of its website,

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that links to a section of the community college's website containing, at a minimum, all of the following information:

(a) Emergency contact numbers for police, fire, health, and other services.

(b) Hours, locations, telephone numbers, and email contacts for campus public safety offices and title IX offices.

(c) A list of safety and security services provided by the community college, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.

(d) The community college's policies applicable to minors on community college property.

(e) A directory of resources available at the community college or in the surrounding community for students or employees who are survivors of sexual assault or sexual abuse.

(f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family", published in 2018.

(g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information must include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

(6) No later than the last business day of November of each year, each community college that receives an appropriation in section 201 shall report to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director its annual title IX report, also known as the student sexual misconduct report, issued by the title IX coordinator, as required under the federal campus SaVE act of 2013, Public Law 113-4, section 304, 127 Stat 54, 89-92 (2013).

(7) No later than the last business day of November of each year, each community college that receives an appropriation in section 201 shall certify that the community college complies with federal regulations under title IX, as required by the United States Department of Education, including, but not limited to, the following:

(a) Use of medical experts that do not have an actual or apparent conflict of interest.

(b) Issuance of title IX reports to complainants and respondents that are not divergent.

(c) Notification of resources to each individual who reports having experienced sexual assault by a member of the community college.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1817a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1817a.amended Community college annual reporting requirements.

Sec. 217a.

(1) Each community college that receives an appropriation in sections 201 and 201f shall submit all of the following information in the form and manner specified by the center:

(a) The Michigan community colleges verified data inventory data for the preceding academic year to the center by the first business day of November of each year as specified in section 217.

(b) Tuition and mandatory fees information as specified in section 217b.

(c) The longitudinal data set to the center as specified in section 219.

(d) The number and type of associate degrees, baccalaureate degrees, and other certificates awarded as specified in section 219.

(e) The annual independent audit as specified in section 222.

(f) The certifications described in subsections (4) through (7).

(2) If the state budget director determines that a community college failed to submit any of the information described in subsection (1) in the form and manner specified by the center, the state budget director may withhold the monthly state operations installments described in sections 201 and 201f from that community college until those data are submitted. If a community college does not submit any of the information described in subsection (1) by the end of the fiscal year, the community college forfeits any withheld amount. The state budget director shall notify the standard report recipients at least 10 days before withholding funds from any community college.

(3) It is intended that accountability reporting for community colleges will be streamlined through the center. The state budget director and the center shall work to combine the reporting requirements outlined in this subsection with the existing Michigan community colleges verified data inventory collection cycle. All of the following must be reported to the standard report recipients:

(a) Each community college's certification of its compliance with the requirements described in subsections (4) and (5).

(b) The reporting and certification requirements of subsections (6) and (7) and section 217b.

(4) No later than the first business day of November of each year, each community college that receives an appropriation in section 201 shall make all of the information described in subdivisions (a) to (h) available through a link on its website homepage, subject to subdivision (i), as follows, and shall archive the previous versions from the prior 7 fiscal years:

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

(b) A link to the most recent "Michigan Community College Data Inventory Report".

(c) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.

(d) A listing of all debt service obligations, detailed by project, anticipated payment of each project, and total outstanding debt for the current fiscal year.

(e) Links to all of the following for the community college:

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

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

(iii) Audits and financial reports for the most recent fiscal year for which they are available.

(iv) A copy of the board of trustees resolution regarding compliance with best practices for the local strategic value component described in section 230(2).

(f) A map that includes the boundaries of the community college district.

(g) A prominent link to the financial aid website created under section 260.

(h) A list of severance payments and the amounts of those severance payments made to former employees of the community college.

(i) For statewide consistency and public visibility, community colleges shall use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each community college's homepage. The size of the icon may be reduced to 150 x 150 pixels.

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(5) No later than the first business day of November of each year, each community college that receives an appropriation in section 201 shall develop, maintain, and update a "campus safety information and resources" link, prominently displayed on the homepage of its website, that links to a section of the community college's website containing, at a minimum, all of the following information:

(a) Emergency contact numbers for police, fire, health, and other services.

(b) Hours, locations, telephone numbers, and email contacts for campus public safety offices and title IX offices.

(c) A list of safety and security services provided by the community college, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.

(d) The community college's policies applicable to minors on community college property.

(e) A directory of resources available at the community college or in the surrounding community for students or employees who are survivors of sexual assault or sexual abuse.

(f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family", published in 2018.

(g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information must include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

(6) No later than the first business day of November of each year, each community college that receives an appropriation in section 201 shall report to the standard report recipients its annual title IX report, also known as the student sexual misconduct report, issued by the title IX coordinator, as required under the federal campus SaVE act of 2013, Public Law 113-4, section 304, 127 Stat 54, 89-92 (2013).

(7) No later than the first business day of November of each year, each community college that receives an appropriation in section 201 shall certify that the community college complies with federal regulations under title IX, as required by the United States Department of Education, including, but not limited to, the following:

(a) Use of medical experts that do not have an actual or apparent conflict of interest.

(b) Issuance of title IX reports to complainants and respondents that are not divergent.

(c) Notification of resources to each individual who reports having experienced sexual assault by a member of the community college.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1817b THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1817b.amended *****

388.1817b Community college annual tuition and fees report; uniform reporting requirements; increase restraint.

Sec. 217b.

(1) Each community college that receives an appropriation in section 201 shall report to the center by the last business day of August of each year the tuition and mandatory fees paid by a full-time in-district student and a full-time out-of-district student as established by the

community college governing board for the current academic year. This report should also include the annual cost of tuition and fees based on a full-time course load of 30 credits. This report must also specify the amount that tuition and fees have increased for the community college from the prior academic year. Each community college shall also report any revisions to the reported current academic year tuition and mandatory fees adopted by the community college governing board to the center within 15 days of being adopted. The center shall provide this information and any revisions to the house and senate fiscal agencies and the state budget director.

(2) Each community college that receives an appropriation in section 201 shall certify to the state budget director by the first business day of November of each year that its board will not adopt an increase in tuition and fee rates for in-district students for the academic year that is greater than the tuition restraint described in this subsection. For the academic year 2025-2026, the tuition restraint level is equal to the greater of 4.5% or $227.00. For the academic year 2026-2027, the tuition restraint level is equal to the greater of 4.0% or $199.00. It is intended that in the next fiscal year, the tuition restraint rate will be adjusted only for the subsequent academic year. As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all in-district students at least once during their enrollment at a community college. A community college increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by in-district students in the academic year to exceed the limit established in this section.

(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of students in each class, based on an unweighted average of the rates authorized by the community college board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated in-district enrollment during the academic year.

(3) Community colleges that exceed the tuition and fee rate cap described in subsection (2) are not eligible to receive payments under section 201f for 1-time performance funding payments for fiscal year 2025-2026. The state budget director shall implement uniform reporting requirements to ensure that a community college receiving a payment under section 201f for 1-time performance funding has satisfied the tuition restraint requirements of this section. The state budget director has the sole authority to determine if a community college has met the requirements of this section. Information reported by a community college to the state budget director under this subsection must also be reported to the house and senate appropriations subcommittees on community colleges and the house and senate fiscal agencies.

(4) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a community college that adopts an increase in tuition and fee rates for in-district students that exceeds the rate cap established in subsection (2).

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1817b.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1817b.amended Community college annual tuition and fees report; uniform reporting requirements; increase restraint.

Sec. 217b.

(1) Each community college that receives an appropriation in section 201 shall report to the center by the last business day of August of each year the tuition and mandatory fees paid by a full-time in-district student and a full-time out-of-district student as established by the community college governing board for the current academic year. This report should also include the annual cost of tuition and fees based on a full-time course load of 30 credits. This report must also specify the amount that tuition and fees have increased for the community college from the prior academic year. Each community college shall also report any revisions to the reported current academic year tuition and mandatory fees adopted by the community college governing board to the center within 15 days of being adopted. The center shall provide this information and any revisions to the standard report recipients.

(2) Each community college that receives an appropriation in section 201 shall certify to the state budget director by the last business day of August of each year that its board will not adopt an increase in tuition and fee rates for in-district students for the academic year that is greater than the tuition restraint described in this subsection. For the academic year 2026-2027, the tuition restraint level is equal to the greater of 4.0% or $199.00. For the academic year 2027-2028, the tuition restraint level is equal to the greater of 4.0% or $199.00. It is intended that in the next fiscal year, the tuition restraint rate will be adjusted only for the subsequent academic year. As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all in-district students at least once during their enrollment at a community college. A community college increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by in-district students in the academic year to exceed the limit established in this section.

(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of students in each class, based on an unweighted average of the rates authorized by the community college board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated in-district enrollment during the academic year.

(3) Community colleges that exceed the tuition and fee rate cap described in subsection (2) are not eligible to receive payments under section 201f for 1-time performance funding payments for fiscal year 2026-2027. The state budget director shall implement uniform reporting requirements to ensure that a community college receiving a payment under section 201f for 1-time performance funding has satisfied the tuition restraint requirements of this section. The state budget director has the sole authority to determine if a community college has met the requirements of this section. Information reported by a community college to the state budget director under this subsection must also be reported to the standard report recipients.

(4) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a community college that adopts an increase in tuition and fee rates for in-district students that exceeds the rate cap established in subsection (2).

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1817c THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1817c.amended *****

388.1817c Report on details of public school academies.

Sec. 217c.

(1) Not later than December 1 of each year, each community college or federally recognized tribal college that, in the current or previous academic year, serves or has served as an authorizing body shall submit a report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, the state budget director, and the department of education containing, at a minimum, all of the following information, as applicable:

(a) A list of all of the schools currently authorized, and the following information for each school:

(i) The year in which the school was authorized.

(ii) The location of each school.

(iii) The owner of the property at which each school is located and the physical buildings utilized by the school, as applicable.

(b) A list identifying any schools that were closed or lost their authorization in the current or previous academic year.

(c) A description of any new contracts for the operation of a public school academy that will operate as the successor to a public school academy that is currently being operated under a contract issued by another authorizing body that is currently performing in the bottom 5% of schools.

(d) The academic performance of each school currently authorized, including whether a school is identified by the department of education as a partnership school. If a school is identified as a partnership school under this subdivision, the authorizing body shall include a description of corrective actions in the school's partnership agreement, the duration of the partnership agreement, and an assessment of progress toward improvement.

(e) The total enrollment of each school at the time of submission, the grades served, and student turnover rate compared to the previous academic year, as applicable.

(f) Aggregated student enrollment data for students with an individualized education program as well as the total amount of special education cost reimbursements received by each school during the school's most recently completed fiscal year.

(g) The total number of fees, reimbursements, contributions, or charges permitted under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, that are assigned to each school currently authorized in a single academic year.

(h) The names of the members of the board of directors of each school currently authorized, the date that each member of each board was appointed, and a description of the methodology used by the authorizing body to select members for the boards of directors for each school currently authorized by the authorizing body.

(i) The name of the applicant who applied and received approval to organize each currently authorized school.

(j) The list of contracts and length of their terms, with education service providers associated with each school currently authorized pursuant to section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable. The contracts described in this subdivision

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include, but are not limited to, those described in section 502(2)(d) of the revised school code, 1 1976 PA 451, MCL 380.502.

(k) Activities undertaken by each authorizing body to ensure that the board of directors of each school complies with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, and laws prohibiting conflicts of interest.

(l) A description of the activities undertaken by the authorizing body to meet the functions of an authorizing body under section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable.

(m) A financial report of the authorizing body's use of fees, reimbursements, contributions, or charges collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502. This report must include all of the following, at a minimum:

(i) The total amount of fees collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, by the authorizing body for the authorizing body's most recent fiscal year.

(ii) The amount of funds reported under subparagraph (i) that were spent on compensation for faculty and staff employed primarily to meet the functions of an authorizing body. For the purpose of this subparagraph, an employee is presumed to be primarily employed to meet the functions of an authorizing body if that employee spends more than 50% of the employee's time on those activities.

(iii) The number of positions, organized by job title, associated with expenditures reported under subparagraph (ii).

(iv) The amount of funds reported under subparagraph (i) that were spent on contractual services to meet the functions of an authorizing body.

(v) The amount of funds reported under subparagraph (i) that were spent on other overhead costs to meet the functions of an authorizing body.

(vi) The amount of funds reported under subparagraph (i) that were transferred to another operating unit within the community college or federally recognized tribal college.

(vii) The amount of funds reported under subparagraph (i) that were spent on activities other than functioning as an authorizing body, including a list of those activities and the amount associated with each activity.

(n) An executive summary section that provides relevant summary data for reporting requirements under subdivisions (a) to (m).

(2) A report submitted under this section must be in a format that meets accessibility standards for viewing on the internet under the Americans with disabilities act of 1990, Public Law 101-336.

(3) A report submitted under this section must be published and updated through a link on the homepage of the institution's website.

(4) In addition to the reporting requirements under this section, each authorizing body that receives an appropriation under section 201 shall adopt a facilities policy ensuring that any structures or other property vacated by a public school academy that ceases operation not contribute to blight in the surrounding neighborhood or community in which the school had previously operated.

(5) As used in this section, "authorizing body" means that term as defined in section 501 of the revised school code, 1976 PA 451, MCL 380.501.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: In subsection (1)(j), the citation to "1 1976 PA 451" evidently should read "1976 PA 451".

***** 388.1817c.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1817c.amended Report on details of public school academies.

Sec. 217c.

(1) Not later than December 1 of each year, each community college or federally recognized tribal college that, in the current or previous academic year, serves or has served as an authorizing body shall submit a report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, the state budget director, and the department of education containing, at a minimum, all of the following information, as applicable:

(a) A list of all of the schools currently authorized.

(b) A list identifying any schools that were closed or lost their authorization in the current or previous academic year.

(c) The academic performance of each school currently authorized, including whether a school is identified by the department of education as a partnership school. If a school is identified as a partnership school under this subdivision, the authorizing body shall include a description of corrective actions in the school's partnership agreement, the duration of the partnership agreement, and an assessment of progress toward improvement.

(d) The total number of fees, reimbursements, contributions, or charges permitted under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, that are assigned to each school currently authorized in a single academic year.

(e) A financial report of the authorizing body's use of fees, reimbursements, contributions, or charges collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502. This report must include all of the following, at a minimum:

(i) The total amount of fees collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, by the authorizing body for the authorizing body's most recent fiscal year.

(ii) The amount of funds reported under subparagraph (i) that were spent on compensation for faculty and staff employed primarily to meet the functions of an authorizing body. For the purpose of this subparagraph, an employee is presumed to be primarily employed to meet the functions of an authorizing body if that employee spends more than 50% of the employee's time on those activities.

(iii) The number of positions, organized by job title, associated with expenditures reported under subparagraph (ii).

(iv) The amount of funds reported under subparagraph (i) that were spent on contractual services to meet the functions of an authorizing body.

(v) The amount of funds reported under subparagraph (i) that were spent on other overhead costs to meet the functions of an authorizing body.

(vi) The amount of funds reported under subparagraph (i) that were transferred to another operating unit within the community college or federally recognized tribal college.

(vii) The amount of funds reported under subparagraph (i) that were spent on activities other than functioning as an authorizing body, including a list of those activities and the amount associated with each activity.

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(f) An executive summary section that provides relevant summary data for reporting requirements under subdivisions (a) to (e).

(2) A report submitted under this section must be in a format that meets accessibility standards for viewing on the internet under the Americans with disabilities act of 1990, Public Law 101-336.

(3) A report submitted under this section must be published and updated through a link on the homepage of the institution's website.

(4) In addition to the reporting requirements under this section, each authorizing body that receives an appropriation under section 201 shall adopt a facilities policy ensuring that any structures or other property vacated by a public school academy that ceases operation not contribute to blight in the surrounding neighborhood or community in which the school had previously operated.

(5) As used in this section, "authorizing body" means that term as defined in section 501 of the revised school code, 1976 PA 451, MCL 380.501.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1817f Administrative spending restrictions.

Sec. 217f.

It is the intent of the legislature that taxpayer funds appropriated under this article are to be used to educate community college students and continue maintenance of community college buildings and other assets. The goal of the legislature is that taxpayer funds not be used excessively for administration. Therefore, a community college that receives an appropriation under this article shall not spend more than 10% of that appropriation on administration. A sum of money spent in excess of the 10% cap described in this section by a community college results in a forfeiture of an amount equal to 50% of that sum from funds appropriated to that community college, not to exceed the total amount appropriated to that community college under this article. The auditor general may investigate allegations of violations of this section. Funds forfeited under this section must revert, to the extent permitted by law, to the general fund or the state school aid fund. For the purpose of calculations under this section, the amount spent by a community college on administrative costs does not include costs associated with staff working in the following roles: teachers, facilities, public safety, technology, research, instruction, academic support, student services, auxiliary services, or public service.

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1818 Repealed. 2019, Act 52, Eff. Oct. 1, 2019.

Compiler's Notes: The repealed section pertained to the exclusion of credit hours for a student incarcerated in a Michigan penal institution.

388.1819 Statewide P-20 education longitudinal data system reporting.

Sec. 219.

(1) By October 15 of each year, each community college that receives an appropriation in section 201 shall provide its longitudinal data system data set for the preceding academic year to the center for inclusion in the statewide P-20 education longitudinal data system described in section 94a.

(2) Each community college that receives an appropriation in section 201 shall report to the center by October 15 of each year the numbers and type of associate degrees and other certificates awarded by the community college during the previous academic year for inclusion in the statewide P-20 longitudinal data system.

(3) Using the data provided by the community colleges as required under this section, the center shall use the P-20 longitudinal data system to inform interested Michigan high schools and the public of the aggregate academic status of its students for the previous academic year. The center shall work with the Michigan Community College Association and in cooperation with the Michigan Association of Secondary School Principals. Community colleges shall cooperate with the center to maintain a systematic approach for accomplishing this work.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023

388.1820 Performance audits.

Sec. 220.

(1) As provided for under section 1 of 2003 PA 1, MCL 13.101, pursuant to section 53 of article IV of the state constitution of 1963, the auditor general or a certified public accountant appointed by the auditor general may conduct performance audits of community colleges as the auditor general considers necessary.

(2) Within 60 days after an audit report is released by the office of the auditor general, the principal executive officer of the community college that was audited shall submit to the house and senate appropriations committees, the house and senate fiscal agencies, the auditor general, and the state budget director a plan to comply with audit recommendations. The plan shall contain projected dates and resources required, if any, to achieve compliance with the audit recommendations, or a documented explanation of the college's noncompliance with the audit recommendations concerning the matters on which the audited community college and office of the auditor general disagree.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021

388.1821 Document retention.

Sec. 221.

(1) A community college shall retain certified class summaries, class lists, registration documents, and student transcripts that are consistent with the taxonomy of courses. For each

enrollment period during the fiscal year, these certified documents shall identify clearly by course the number of in-district and out-of-district student credit and contact hours. The class summaries and class lists shall be consistent with each other and shall include the course prefix and numbers, course title, course credit and contact hours, credit and contact hours generated by each student, and activity classifications consistent with the taxonomy. An auditable process shall be used by the community college to determine the unduplicated head count for in-district students, out-of-district students, and prisoners for each enrollment period during the fiscal year.

(2) A community college shall retain all contracts between the community college and agencies that reimburse the community college for the costs of instruction for audit purposes.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012

***** 388.1822 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1822.amended *****

388.1822 Annual independent audit.

Sec. 222.

Each community college shall have an annual audit of all income and expenditures performed by an independent auditor and shall furnish the independent auditor's management letter and an annual audited accounting of all general and current funds income and expenditures including audits of college foundations to the center before November 15 of each year. The center shall provide this information to members of the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, the auditor general, the department of labor and economic opportunity, the department of lifelong education, advancement, and potential, and the state budget director. If a community college fails to furnish the audit materials, the monthly state operations installments must be withheld from that college until the information is submitted. All reporting must conform to the requirements set forth in the "2001 Manual for Uniform Financial Reporting, Michigan Public Community Colleges". A community college shall make the information the community college is required to provide under this section available to the public on its website.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1822.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1822.amended Annual independent audit.

Sec. 222.

Each community college shall have an annual audit of all income and expenditures performed by an independent auditor and shall furnish the independent auditor's management

letter and an annual audited accounting of all general and current funds income and expenditures including audits of college foundations to the center before November 15 of each year. The center shall provide this information to the standard report recipients, the auditor general, the department of labor and economic opportunity, and the department of lifelong education, advancement, and potential. If a community college fails to furnish the audit materials, the monthly state operations installments must be withheld from that college until the information is submitted. All reporting must conform to the requirements set forth in the "2001 Manual for Uniform Financial Reporting, Michigan Public Community Colleges". A community college shall make the information the community college is required to provide under this section available to the public on its website.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1823 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1823.amended *****

388.1823 Report on North American Indian tuition waivers.

Sec. 223.

(1) By January 15 of each year, the department of lifelong education, advancement, and potential shall submit to the state budget director, the house and senate appropriations subcommittees on community colleges, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each community college submitting information under subsection (2), all of the following:

(i) The number of North American Indian students enrolled each term for the previous academic year.

(ii) The number of North American Indian waivers granted each term, including continuing education students, and the monetary value of the waivers for the previous academic year.

(iii) The number of North American Indian students who receive a granted waiver for the previous academic year.

(iv) The number of students attending under a North American Indian tuition waiver who withdrew from the college each term during the previous academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.

(v) The number of students attending under a North American Indian tuition waiver who successfully transfer to a 4-year public or private university, or complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for students attending

under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.

(2) By January 1 of each year, a community college that receives an appropriation in section 201 or a tribal institution that receives funding for the North American Indian tuition waiver shall provide to the department of lifelong education, advancement, and potential any information necessary for preparing the report described in subsection (1), using guidelines and procedures developed by the department of lifelong education, advancement, and potential.

(3) The department of lifelong education, advancement, and potential may consolidate the report required under this section with the report required under section 268, but a consolidated report must separately identify data for universities and data for community colleges.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

***** 388.1823.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1823.amended Report on North American Indian tuition waivers.

Sec. 223.

(1) By January 15 of each year, the department of lifelong education, advancement, and potential shall submit to the standard report recipients a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each community college submitting information under subsection (2), all of the following:

(i) The number of Native American students enrolled each term for the previous academic year.

(ii) The number of North American Indian tuition waivers granted each term, including continuing education students.

(iii) The monetary value of the waivers granted each term for the previous academic year.

(iv) The number of students attending under a North American Indian tuition waiver who successfully transfer to a 4-year public or private university, or complete a degree or certificate program, separated by degree or certificate level.

(2) By January 1 of each year, a community college that receives an appropriation in section 201 or a tribal institution that receives funding for the North American Indian tuition waiver shall provide to the department of lifelong education, advancement, and potential any information necessary for preparing the report described in subsection (1), using guidelines and procedures developed by the department of lifelong education, advancement, and potential.

(3) The department of lifelong education, advancement, and potential may consolidate the report required under this section with the report required under section 268, but a

consolidated report must separately identify data for universities and data for community colleges.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1824 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the use of the P-20 longitudinal data system to provide the aggregate academic status of students.

388.1825 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the reporting of tuition and mandatory fees paid by students.

388.1826 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to reporting of the number and type of associate degrees and certificates awarded during the year.

388.1826a Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to requirement to provide an online informational resource for student loan borrowers.

388.1826b Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to reporting of federal funds received related to the COVID-19 pandemic.

388.1826d Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to a report on activities related to providing open and free expression and speech.

388.1826e Postsecondary education goals.

Sec. 226e.

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It is the goal of the governor and legislature to ensure that 60% of Michigan's residents achieve a postsecondary credential, high-quality industry certification, associate degree, or bachelor's degree by 2030.

History: Add. 2022, Act 144, Eff. Oct. 1, 2022
Compiler's Notes: Former MCL 388.1826e, which pertained to legislative intent to provide certifications or degrees to 60% of the state's residents, was repealed by Act 86 of 2021, Eff. Oct. 1, 2021.

388.1826g Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the adoption of an advocacy policy and its requirements.

388.1827 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to policies and procedures for accepting and awarding college level equivalent credit examinations.Former MCL 388.1827, which pertained to a prohibition on the use of funds for vehicles manufactured outside the United States, was repealed by Act 52 of 2019, Eff. Oct. 1, 2019.

388.1827a Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to providing information on accelerated degree completion pathways and options.

388.1828 Communication of employee with member of legislature or staff.

Sec. 228.

A community college shall not take disciplinary action against an employee for communicating with a member of the legislature or the legislator's staff.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012

388.1829 Applicant as veteran, current member of armed forces, or spouse or dependent; question; review of in-district tuition for veterans issue; definitions.

Sec. 229.

(1) Each community college that receives an appropriation in section 201 is expected to include in its admission application process a specific question as to whether an applicant for admission has ever served or is currently serving in the United States Armed Forces or is the spouse or dependent of an individual who has served or is currently serving in the United States Armed Forces, in order to more quickly identify potential educational assistance available to that applicant.

(2) It is expected that each community college that receives an appropriation in section 201 will work with the house and senate appropriations subcommittees on community colleges, the

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Michigan Community College Association, and veterans groups to review the issue of in-district tuition for veterans of this state when determining tuition rates and fees.

(3) Each community college that receives an appropriation in section 201 is expected to provide reasonable programming and scheduling accommodations necessary to facilitate a student's military, National Guard, or military reserves duties and training obligations.

(4) Each community college that receives an appropriation in section 201 is expected to provide college level equivalent credit examination opportunities for veterans and active members of the military, National Guard, or military reserves within the first semester of enrollment.

(5) Each community college that receives an appropriation in section 201 is expected to do all of the following in its admission application process if it knows that an applicant for admission is currently serving, or has ever served, as a member of the military, the National Guard, or the military reserves:

(a) Inform the applicant that the applicant may receive academic credit for college-level training and education the applicant received while serving in the military.

(b) Inform the applicant that the applicant may submit a transcript of the applicant's college-level military training and education to the community college.

(c) If the applicant submits a transcript described in subdivision (b), evaluate that transcript and notify the applicant of what transfer credits are available to the applicant from the community college for the applicant's college-level military training and education.

(6) As used in this section:

(a) "Transcript" includes a joint services transcript prepared for the applicant under the American Council on Education registry of credit recommendations.

(b) "Veteran" means an honorably discharged veteran entitled to educational assistance under section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

***** 388.1829a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1829a.amended *****

388.1829a Capital projects for community colleges.

Sec. 229a.

Included in the fiscal year 2025-2026 appropriations for the department of technology, management, and budget are appropriations totaling $38,032,600.00 to provide funding for the state share of costs for previously constructed capital projects for community colleges. Those appropriations for state building authority rent represent additional state general fund support for community colleges, and the following is an estimate of the amount of that support to each community college:

(a) Alpena Community College, $855,000.00.

(b) Bay de Noc Community College, $515,000.00.

(c) Delta College, $2,881,100.00.

(d) Glen Oaks Community College, $380,000.00.
(e) Gogebic Community College, $56,000.00.
(f) Grand Rapids Community College, $2,346,000.00.
(g) Henry Ford College, $1,505,000.00.
(h) Jackson College, $2,044,000.00.
(i) Kalamazoo Valley Community College, $1,942,000.00.
(j) Kellogg Community College, $679,000.00.
(k) Kirtland Community College, $225,000.00.
(l) Lake Michigan College, $966,000.00.
(m) Lansing Community College, $757,000.00.
(n) Macomb Community College, $4,682,200.00.
(o) Mid Michigan Community College, $1,615,000.00.
(p) Monroe County Community College, $1,540,000.00.
(q) Montcalm Community College, $446,000.00.
(r) C.S. Mott Community College, $3,103,000.00.
(s) Muskegon Community College, $982,000.00.
(t) North Central Michigan College, $646,000.00.
(u) Northwestern Michigan College, $1,787,000.00.
(v) Oakland Community College, $0.00.
(w) Schoolcraft College, $2,232,000.00.
(x) Southwestern Michigan College, $822,500.00.
(y) St. Clair County Community College, $718,000.00.
(z) Washtenaw Community College, $1,676,000.00.
(aa) Wayne County Community College, $1,895,800.00.
(bb) West Shore Community College, $736,000.00.

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History: Add. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1829a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1829a.amended Capital projects for community colleges.

Sec. 229a.

Included in the fiscal year 2026-2027 appropriations for the department of technology, management, and budget are appropriations totaling $40,398,900.00 to provide funding for the state share of costs for previously constructed capital projects for community colleges. Those appropriations for state building authority rent represent additional state general fund support for community colleges, and the following is an estimate of the amount of that support to each community college:

(a) Alpena Community College, $855,000.00.
(b) Bay de Noc Community College, $515,000.00.
(c) Delta College, $2,881,000.00.

(d) Glen Oaks Community College, $380,000.00.
(e) Gogebic Community College, $56,000.00.
(f) Grand Rapids Community College, $2,430,000.00.
(g) Henry Ford College, $1,505,000.00.
(h) Jackson College, $2,044,000.00.
(i) Kalamazoo Valley Community College, $3,404,500.00.
(j) Kellogg Community College, $679,000.00.
(k) Kirtland Community College, $225,000.00.
(l) Lake Michigan College, $966,000.00.
(m) Lansing Community College, $757,000.00.
(n) Macomb Community College, $4,682,200.00.
(o) Mid Michigan Community College, $1,615,000.00.
(p) Monroe County Community College, $2,359,900.00.
(q) Montcalm Community College, $446,000.00.
(r) C.S. Mott Community College, $3,103,000.00.
(s) Muskegon Community College, $982,000.00.
(t) North Central Michigan College, $646,000.00.
(u) Northwestern Michigan College, $1,787,000.00.
(v) Oakland Community College, $0.00.
(w) Schoolcraft College, $2,232,000.00.
(x) Southwestern Michigan College, $822,500.00.
(y) St. Clair County Community College, $718,000.00.
(z) Washtenaw Community College, $1,676,000.00.
(aa) Wayne County Community College, $1,895,800.00.
(bb) West Shore Community College, $736,000.00.

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History: Add. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1829b Repealed. 2014, Act 196, Eff. Oct. 1, 2014.

Compiler's Notes: The repealed section pertained to providing accurate information on student educational outcomes in employment market.

***** 388.1830 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1830.amended *****

388.1830 Community college operations; performance funding; distribution; formula; meeting best practice measures; resolution; categories of best practices; payments; conditions.

Sec. 230.

(1) Subject to subsection (4), money included in the appropriations for community college operations under section 201 for performance funding and allocated under section 201f for 1-time performance funding payments is distributed based on the following formula:

(a) Allocated proportionate to fiscal year 2024-2025 base appropriations, 30%.

(b) Based on a weighted student contact hour formula as provided for in the 2016 recommendations of the performance indicators task force, 30%.

(c) Based on the performance improvement as provided for in the 2016 recommendations of the performance indicators task force and based on data provided by the center, 10%.

(d) Based on the performance completion number as provided for in the 2016 recommendations of the performance indicators task force, 10%.

(e) Based on the performance completion rate as provided for in the 2016 recommendations of the performance indicators task force and based on data provided by the center, 10%.

(f) Based on administrative costs, 5%.

(g) Based on the local strategic value component, as developed in cooperation with the Michigan Community College Association and described in subsection (2), 5%.

(2) Money included in the appropriations for community college operations under section 201(2) for local strategic value is allocated only to each community college that certifies to the state budget director, through a board of trustees resolution on or before October 15, 2025, that the college has met 4 out of 5 best practices listed in each category described in subsection (3). The resolution must provide specifics as to how the community college meets each best practice measure within each category. One-third of funding available under the strategic value component is allocated to each category described in subsection (3). Amounts distributed under local strategic value must be on a proportionate basis to each college's fiscal year 2024-2025 operations funding. Payments to community colleges that qualify for local strategic value funding must be distributed with the November installment payment described in section 206.

(3) For purposes of subsection (2), the following categories of best practices reflect functional activities of community colleges that have strategic value to the local communities and regional economies:

(a) For Category A, economic development and business or industry partnerships, the following:

(i) The community college has active partnerships with local employers including hospitals and health care providers.

(ii) The community college provides customized on-site training for area companies, employees, or both.

(iii) The community college supports entrepreneurship through a small business assistance center or other training or consulting activities targeted toward small businesses.

(iv) The community college supports technological advancement through industry partnerships, incubation activities, or operation of a Michigan technical education center or other advanced technology center.

(v) The community college has active partnerships with local or regional workforce and economic development agencies.

(b) For Category B, educational partnerships, the following:

(i) The community college has active partnerships with regional high schools, intermediate school districts, and career-tech centers to provide instruction through dual enrollment, concurrent enrollment, direct credit, middle college, or academy programs.

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(ii) The community college hosts, sponsors, or participates in enrichment programs for area K-12 students, such as college days, summer or after-school programming, or Science Olympiad.

(iii) The community college provides, supports, or participates in programming to promote successful transitions to college for traditional age students, including grant programs such as talent search, upward bound, or other activities to promote college readiness in area high schools and community centers.

(iv) The community college provides, supports, or participates in programming to promote successful transitions to college for new or reentering adult students, such as adult basic education, a high school equivalency test preparation program and testing, or recruiting, advising, or orientation activities specific to adults. As used in this subparagraph, "high school equivalency test preparation program" means that term as defined in section 4.

(v) The community college has active partnerships with regional 4-year colleges and universities to promote successful transfer, such as articulation, 2+2, or reverse transfer agreements or operation of a university center.

(c) For Category C, community services, the following:

(i) The community college provides continuing education programming for leisure, wellness, personal enrichment, or professional development.

(ii) The community college operates or sponsors opportunities for community members to engage in activities that promote leisure, wellness, cultural or personal enrichment such as community sports teams, theater or musical ensembles, or artist guilds.

(iii) The community college operates public facilities to promote cultural, educational, or personal enrichment for community members, such as libraries, computer labs, performing arts centers, museums, art galleries, or television or radio stations.

(iv) The community college operates public facilities to promote leisure or wellness activities for community members, including gymnasiums, athletic fields, tennis courts, fitness centers, hiking or biking trails, or natural areas.

(v) The community college promotes, sponsors, or hosts community service activities for students, staff, or community members.

(4) Payments for performance funding under section 201 and for 1-time performance funding payments under section 201f must be made to a community college only if that community college actively participates in the Michigan Transfer Network sponsored by the Michigan Association of Collegiate Registrars and Admissions Officers and submits timely updates, including updated course equivalencies at least every 6 months, to the Michigan Transfer Network. The state budget director shall determine if a community college has not satisfied this requirement. The state budget director may withhold payments for performance funding under section 201 and 1-time performance funding under section 201f until a community college is in compliance with this subsection.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 56, Eff. June 27, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1830.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1830.amended Community college operations; performance funding; distribution; formula; meeting best practice measures; resolution; categories of best practices; payments; conditions.

Sec. 230.

(1) Subject to subsection (4), money included in the appropriations for community college operations under section 201 for performance funding and allocated under section 201f for 1-time performance funding payments is distributed based on the following formula:

(a) Allocated proportionate to fiscal year 2025-2026 base appropriations, 30%.

(b) Based on a weighted student contact hour formula as provided for in the 2016 recommendations of the performance indicators task force, 30%.

(c) Based on the performance improvement as provided for in the 2016 recommendations of the performance indicators task force and based on data provided by the center, 10%.

(d) Based on the performance completion number as provided for in the 2016 recommendations of the performance indicators task force, 10%.

(e) Based on the performance completion rate as provided for in the 2016 recommendations of the performance indicators task force and based on data provided by the center, 10%.

(f) Based on administrative costs, 5%.

(g) Based on the local strategic value component, as developed in cooperation with the Michigan Community College Association and described in subsection (2), 5%.

(2) Money included in the appropriations for community college operations under section 201(2) and 201f for local strategic value is allocated only to each community college that certifies to the state budget director, through a board of trustees resolution on or before October 15, 2026, that the college has met 4 out of 5 best practices listed in each category described in subsection (3). The resolution must provide specifics as to how the community college meets each best practice measure within each category. One-third of funding available under the strategic value component is allocated to each category described in subsection (3). Amounts distributed under local strategic value must be on a proportionate basis to each college's fiscal year 2025-2026 operations funding. Payments to community colleges that qualify for local strategic value funding must be distributed with the November installment payment described in section 206.

(3) For purposes of subsection (2), the following categories of best practices reflect functional activities of community colleges that have strategic value to the local communities and regional economies:

(a) For Category A, economic development and business or industry partnerships, the following:

(i) The community college has active partnerships with local employers including hospitals and health care providers.

(ii) The community college provides customized on-site training for area companies, employees, or both.

(iii) The community college supports entrepreneurship through a small business assistance center or other training or consulting activities targeted toward small businesses.

(iv) The community college supports technological advancement through industry partnerships, incubation activities, or operation of a Michigan technical education center or other advanced technology center.

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(v) The community college has active partnerships with local or regional workforce and economic development agencies.

(b) For Category B, educational partnerships, the following:

(i) The community college has active partnerships with regional high schools, intermediate school districts, and career-tech centers to provide instruction through dual enrollment, concurrent enrollment, direct credit, middle college, or academy programs.

(ii) The community college hosts, sponsors, or participates in enrichment programs for area K-12 students, such as college days, summer or after-school programming, or Science Olympiad.

(iii) The community college provides, supports, or participates in programming to promote successful transitions to college for traditional age students, including grant programs such as talent search, upward bound, or other activities to promote college readiness in area high schools and community centers.

(iv) The community college provides, supports, or participates in programming to promote successful transitions to college for new or reentering adult students, such as adult basic education, a high school equivalency test preparation program and testing, or recruiting, advising, or orientation activities specific to adults. As used in this subparagraph, "high school equivalency test preparation program" means that term as defined in section 4.

(v) The community college has active partnerships with regional 4-year colleges and universities to promote successful transfer, such as articulation, 2+2, or reverse transfer agreements or operation of a university center.

(c) For Category C, community services, the following:

(i) The community college provides continuing education programming for leisure, wellness, personal enrichment, or professional development.

(ii) The community college operates or sponsors opportunities for community members to engage in activities that promote leisure, wellness, cultural or personal enrichment such as community sports teams, theater or musical ensembles, or artist guilds.

(iii) The community college operates public facilities to promote cultural, educational, or personal enrichment for community members, such as libraries, computer labs, performing arts centers, museums, art galleries, or television or radio stations.

(iv) The community college operates public facilities to promote leisure or wellness activities for community members, including gymnasiums, athletic fields, tennis courts, fitness centers, hiking or biking trails, or natural areas.

(v) The community college promotes, sponsors, or hosts community service activities for students, staff, or community members.

(4) Payments for performance funding under section 201 and for 1-time performance funding payments under section 201f must be made to a community college only if that community college actively participates in the Michigan Transfer Network sponsored by the Michigan Association of Collegiate Registrars and Admissions Officers and submits timely updates, including updated course equivalencies at least every 6 months, to the Michigan Transfer Network. The state budget director shall determine if a community college has not satisfied this requirement. The state budget director may withhold payments for performance funding under section 201 and 1-time performance funding under section 201f until a community college is in compliance with this subsection.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;--

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Am. 2016, Act 56, Eff. June 27, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 52, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1830a Repealed. 2016, Act 249, Eff. Oct. 1, 2016.

Compiler's Notes: The repealed section pertained to review, evaluation, discussion, and recommendation regarding performance indicators.

ARTICLE III
STATE AID FOR UNIVERSITIES AND STUDENT FINANCIAL AID

***** 388.1836 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1836.amended *****

388.1836 Higher education; appropriations; summary.

Sec. 236.

(1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, 2026, from the funds indicated in this section. The following is a summary of the appropriations in this section and sections 236d, 236e, and 236j:

(a) The gross appropriation is $2,336,912,000.00. After deducting total interdepartmental grants and intradepartmental transfers in the amount of $0.00, the adjusted gross appropriation is $2,336,912,000.00.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, $3,200,000.00.

(ii) Total local revenues, $0.00.

(iii) Total private revenues, $0.00.

(iv) Total other state restricted revenues, $850,768,300.00.

(v) State general fund/general purpose money, $1,482,943,700.00.

(c) The totals and subtotals reflected in subdivisions (a) and (b) do not include amounts appropriated under subsection (7)(d) or (8)(b) to avoid duplicating totals of amounts appropriated in this section and section 236j.

(2) Amounts appropriated for public universities are as follows:

(a) The appropriation for Central Michigan University is $99,466,100.00, $95,226,900.00 for operations, $0.00 for operations increase, $2,558,800.00 for MPSERS support payment, and $1,680,400.00 for costs incurred under the North American Indian tuition waiver.

(b) The appropriation for Eastern Michigan University is $86,649,200.00, $83,979,800.00 for operations, $0.00 for operations increase, $2,256,500.00 for MPSERS support payment, and $412,900.00 for costs incurred under the North American Indian tuition waiver.

(c) The appropriation for Ferris State University is $62,221,900.00, $59,816,300.00 for operations, $0.00 for operations increase, $1,607,300.00 for MPSERS support payment, and $798,300.00 for costs incurred under the North American Indian tuition waiver.

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(d) The appropriation for Grand Valley State University is $98,772,000.00, $97,552,900.00 for operations, $0.00 for operations increase, $0.00 for MPSERS support payment, and $1,219,100.00 for costs incurred under the North American Indian tuition waiver.

(e) The appropriation for Lake Superior State University is $16,301,400.00, $14,465,600.00 for operations, $0.00 for operations increase, $388,700.00 for MPSERS support payment, and $1,447,100.00 for costs incurred under the North American Indian tuition waiver.

(f) The appropriation for Michigan State University is $396,845,300.00, $321,516,900.00 for operations, $0.00 for operations increase, $0.00 for MPSERS support payment, $2,508,800.00 for costs incurred under the North American Indian tuition waiver, $39,096,200.00 for MSU AgBioResearch, and $33,723,400.00 for MSU Extension.

(g) The appropriation for Michigan Technological University is $56,659,000.00, $54,463,700.00 for operations, $0.00 for operations increase, $1,463,400.00 for MPSERS support payment, and $731,900.00 for costs incurred under the North American Indian tuition waiver.

(h) The appropriation for Northern Michigan University is $55,688,200.00, $52,850,300.00 for operations, $0.00 for operations increase, $1,420,100.00 for MPSERS support payment, and $1,417,800.00 for costs incurred under the North American Indian tuition waiver.

(i) The appropriation for Oakland University is $73,361,600.00, $73,036,400.00 for operations, $0.00 for operations increase, $0.00 for MPSERS support payment, and $325,200.00 for costs incurred under the North American Indian tuition waiver.

(j) The appropriation for Saginaw Valley State University is $34,379,000.00, $34,196,000.00 for operations, $0.00 for operations increase, $0.00 for MPSERS support payment, and $183,000.00 for costs incurred under the North American Indian tuition waiver.

(k) The appropriation for University of Michigan – Ann Arbor is $362,507,900.00, $360,607,300.00 for operations, $0.00 for operations increase, $0.00 for MPSERS support payment, and $1,900,600.00 for costs incurred under the North American Indian tuition waiver.

(l) The appropriation for University of Michigan – Dearborn is $31,708,000.00, $31,513,700.00 for operations, $0.00 for operations increase, $0.00 for MPSERS support payment, and $194,300.00 for costs incurred under the North American Indian tuition waiver.

(m) The appropriation for University of Michigan – Flint is $26,884,600.00, $26,403,700.00 for operations, $0.00 for operations increase, $0.00 for MPSERS support payment, and $480,900.00 for costs incurred under the North American Indian tuition waiver.

(n) The appropriation for Wayne State University is $227,787,300.00, $227,310,200.00 for operations, $0.00 for operations increase, $0.00 for MPSERS support payment, and $477,100.00 for costs incurred under the North American Indian tuition waiver.

(o) The appropriation for Western Michigan University is $125,246,700.00, $121,231,800.00 for operations, $0.00 for operations increase, $3,257,500.00 for MPSERS support payment, and $757,400.00 for costs incurred under the North American Indian tuition waiver.

(3) The amount appropriated in subsection (2) for public universities is $1,754,478,200.00, appropriated from the following:

(a) State school aid fund, $643,168,300.00.

(b) State general fund/general purpose money, $1,111,309,900.00.

(4) The amount appropriated for Michigan public school employees' retirement system reimbursement is $0.00.

(5) The amount appropriated for state and regional programs is $322,100.00, appropriated from general fund/general purpose money and allocated as follows:

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(a) Higher education database modernization and conversion, $200,000.00.

(b) Midwestern Higher Education Compact, $122,100.00.

(6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks program is $2,691,500.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Select student support services, $1,956,100.00.

(b) Michigan college/university partnership program, $586,800.00.

(c) Morris Hood, Jr. educator development program, $148,600.00.

(7) Subject to subsection (8), the amount appropriated for grants and financial aid is $469,500,000.00, allocated as follows:

(a) Tuition incentive program, $122,300,000.00.

(b) Children of veterans and officer's survivor tuition grant programs, $2,000,000.00.

(c) Project GEAR-UP, $3,200,000.00.

(d) Michigan achievement scholarships, $300,000,000.00. From this amount, up to $10,000,000.00 may be used to award skills scholarships under section 248a.

(e) Michigan reconnect, $42,000,000.00.

(8) The money appropriated in subsection (7) for grants and financial aid is appropriated from the following:

(a) Federal revenues under the United States Department of Education, Office of Elementary and Secondary Education, GEAR-UP program, $3,200,000.00.

(b) Postsecondary scholarship fund, $300,000,000.00.

(c) State general fund/general purpose money, $166,300,000.00.

(d) At the close of the fiscal year, state general fund/general purpose money appropriated in subsection (7) for grants and scholarships that is unspent must be deposited into the postsecondary scholarship fund created in section 236j.

(9) For fiscal year 2025-2026 only, in addition to the allocation under subsection (4), from the appropriations described in subsection (1), there is allocated an amount not to exceed $7,600,000.00 for payments to participating public universities, appropriated from the state school aid fund. A public university that receives money under this subsection shall use that money solely for the purpose of offsetting the normal cost contribution rate. As used in this subsection, "participating public universities" means public universities that are 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 pay contributions to the Michigan public school employees' retirement system for the state fiscal year.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: Subsection (7)(b), as amended by Act 62 of 2019, and which read "(b) Tuition grants, $38,021,500.00." was vetoed by the governor on September 30, 2019.Subsection (10), as added by Act 62 of 2019, was vetoed by the governor on September 30, 2019. Enacting section 1 of Act 62 of 2019

provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2019-2020 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at $1,557,518,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is estimated at $0.00."Subsection (10) as added by Act 86 of 2021, was vetoed by the governor on September 29, 2021.Subsections (10) and (11) as added by Act 144 of 2022 were vetoed by the governor on July 14, 2022.Enacting section 1 of Act 144 of 2022 provides:"Enacting section 1. (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 2021 PA 48, 2022 PA 93, and this amendatory act, from state sources for fiscal year 2021-2022 is estimated at $14,635,534,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at $13,448,739,600.00. 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 2022-2023 is estimated at $17,078,472,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $15,764,187,600.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2022-2023 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $449,058,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $449,058,000.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2021-2022 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2021 PA 86 and this amendatory act, is estimated at $1,979,224,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $1,893,609,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 212 of 2022 provides:"Enacting section 1. (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 2021 PA 48, 2022 PA 93, 2022 PA 144, and this amendatory act, from state sources for fiscal year 2021-2022 is estimated at $14,635,534,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at $13,448,739,600.00. 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 2022 PA 144 and this amendatory act, from state sources for fiscal year 2022-2023 is estimated at $17,090,672,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $15,764,187,600.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2022 PA 144 and this amendatory act, is estimated at $1,888,109,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 103 of 2023 provides:"Enacting section 1. (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 $17,632,218,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $16,036,571,400.00. 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

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2023-2024 is estimated at $19,258,857,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,622,688,000.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $544,517,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $544,517,500.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2022 PA 144, 2022 PA 212, and this amendatory act, is estimated at $2,088,109,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 120 of 2024 provides:"Enacting section 1. (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 2023 PA 103, 2023 PA 320, and this amendatory act from state sources for fiscal year 2023-2024 is estimated at $19,367,907,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,837,248,400.00. 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 2024-2025 is estimated at $18,371,481,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at $16,928,443,900.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at $550,817,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $550,817,500.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2024-2025 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $462,220,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at $461,720,800.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at $2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2024-2025 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,321,092,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at $70,000.00."Enacting section 1 of Act 15 of 2025 provides:"Enacting section 1. (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 2024 PA 120, 2024 PA 148, and by this amendatory act, from state sources for fiscal year 2024-2025 is estimated at $18,811,776,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at $17,366,388,900.00. 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 2025-2026 is estimated at $18,881,123,200.00 and state appropriations for school aid to be paid to local units of government for

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fiscal year 2025-2026 are estimated at $17,433,304,100.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2025-2026 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $493,032,100.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2025-2026 is estimated at $493,032,100.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2025-2026 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,333,712,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2025-2026 is estimated at $0.00."

***** 388.1836.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1836.amended Higher education; appropriations; summary.

Sec. 236.

(1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, 2027, from the funds indicated in this section. The following is a summary of the appropriations in this section and sections 236d and 236l:

(a) The gross appropriation is $2,609,832,800.00. After deducting total interdepartmental grants and intradepartmental transfers in the amount of $0.00, the adjusted gross appropriation is $2,609,832,800.00.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, $3,200,000.00.

(ii) Total local revenues, $0.00.

(iii) Total private revenues, $0.00.

(iv) Total other state restricted revenues, $1,481,678,600.00.

(v) State general fund/general purpose money, $1,124,954,200.00.

(2) Amounts appropriated for public universities are as follows:

(a) The appropriation for Central Michigan University is $99,759,800.00, $97,785,700.00 for operations, $0.00 for operations increase, and $1,974,100.00 for costs incurred under the North American Indian tuition waiver.

(b) The appropriation for Eastern Michigan University is $86,660,200.00, $86,236,300.00 for operations, $0.00 for operations increase, and $423,900.00 for costs incurred under the North American Indian tuition waiver.

(c) The appropriation for Ferris State University is $62,195,100.00, $61,423,600.00 for operations, $0.00 for operations increase, and $771,500.00 for costs incurred under the North American Indian tuition waiver.

(d) The appropriation for Grand Valley State University is $98,788,400.00, $97,552,900.00 for operations, $0.00 for operations increase, and $1,235,500.00 for costs incurred under the North American Indian tuition waiver.

(e) The appropriation for Lake Superior State University is $16,419,200.00, $14,854,300.00 for operations, $0.00 for operations increase, and $1,564,900.00 for costs incurred under the North American Indian tuition waiver.

(f) The appropriation for Michigan State University is $396,750,000.00, $321,516,900.00 for operations, $0.00 for operations increase, $2,413,500.00 for costs incurred under the North

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American Indian tuition waiver, $39,096,200.00 for MSU AgBioResearch, and $33,723,400.00 for MSU Extension.

(g) The appropriation for Michigan Technological University is $56,727,800.00, $55,927,100.00 for operations, $0.00 for operations increase, and $800,700.00 for costs incurred under the North American Indian tuition waiver.

(h) The appropriation for Northern Michigan University is $55,925,000.00, $54,270,400.00 for operations, $0.00 for operations increase, and $1,654,600.00 for costs incurred under the North American Indian tuition waiver.

(i) The appropriation for Oakland University is $73,414,700.00, $73,036,400.00 for operations, $0.00 for operations increase, and $378,300.00 for costs incurred under the North American Indian tuition waiver.

(j) The appropriation for Saginaw Valley State University is $34,436,800.00, $34,196,000.00 for operations, $0.00 for operations increase, and $240,800.00 for costs incurred under the North American Indian tuition waiver.

(k) The appropriation for University of Michigan – Ann Arbor is $362,353,400.00, $360,607,300.00 for operations, $0.00 for operations increase, and $1,746,100.00 for costs incurred under the North American Indian tuition waiver.

(l) The appropriation for University of Michigan – Dearborn is $31,762,500.00, $31,513,700.00 for operations, $0.00 for operations increase, and $248,800.00 for costs incurred under the North American Indian tuition waiver.

(m) The appropriation for University of Michigan – Flint is $26,941,300.00, $26,403,700.00 for operations, $0.00 for operations increase, and $537,600.00 for costs incurred under the North American Indian tuition waiver.

(n) The appropriation for Wayne State University is $227,908,900.00, $227,310,200.00 for operations, $0.00 for operations increase, and $598,700.00 for costs incurred under the North American Indian tuition waiver.

(o) The appropriation for Western Michigan University is $125,265,800.00, $124,489,300.00 for operations, $0.00 for operations increase, and $776,500.00 for costs incurred under the North American Indian tuition waiver.

(3) The amount appropriated in subsection (2) for public universities is $1,755,308,900.00, appropriated from the following:

(a) State school aid fund, $743,088,300.00.

(b) State general fund/general purpose money, $1,012,220,600.00.

(4) The amount appropriated for Michigan public school employees' retirement system reimbursement is $0.00.

(5) The amount appropriated for state and regional programs is $322,100.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Higher education database modernization and conversion, $200,000.00.

(b) Midwestern Higher Education Compact, $122,100.00.

(6) The amount appropriated for the Martin Luther King, Jr. - Dolores Huerta – Morris Hood Jr. - Rosa Parks program is $2,691,500.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Select student support services, $1,956,100.00.

(b) Michigan college/university partnership program, $586,800.00.

(c) Morris Hood, Jr. educator development program, $148,600.00.

(7) Subject to subsection (8), the amount appropriated for grants and financial aid is $770,000,000.00, allocated as follows:

(a) Tuition incentive program, $165,800,000.00.

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(b) Children of veterans and officer's survivor tuition grant programs, $2,000,000.00.

(c) Project GEAR-UP, $3,200,000.00.

(d) Michigan achievement scholarships, $532,000,000.00. From this amount, up to $10,000,000.00 may be used to award skills scholarships under section 248a.

(e) Michigan reconnect, $67,000,000.00.

(8) The money appropriated in subsection (7) for grants and financial aid is appropriated from the following:

(a) Federal revenues under the United States Department of Education, Office of Elementary and Secondary Education, GEAR-UP program, $3,200,000.00.

(b) Postsecondary scholarship fund, $232,000,000.00.

(c) State school aid fund, $425,080,000.00.

(d) State general fund/general purpose money, $109,720,000.00.

(e) At the close of the fiscal year, state money appropriated in subsection (7) for grants and scholarships that is unspent must be deposited into the postsecondary scholarship fund created in section 236j.

(9) For fiscal year 2026-2027 only, in addition to the allocation under subsection (4), from the appropriations described in subsection (1), there is allocated an amount not to exceed $1,750,000.00 for payments to participating public universities, appropriated from the state school aid fund. A public university that receives money under this subsection shall use that money solely for the purpose of offsetting the normal cost contribution rate. As used in this subsection, "participating public universities" means public universities that are 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 pay contributions to the Michigan public school employees' retirement system for the state fiscal year.

(10) Subject to section 236l, from the appropriation described in subsection (1), $10,000,000.00 is appropriated from the state school aid fund for a payment to a public university that participates in the MiDocs consortium to support graduate medical education programming.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 5, Imd. Eff. Mar. 10, 2015 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct 1, 2026

Compiler's Notes: Subsection (7)(b), as amended by Act 62 of 2019, and which read "(b) Tuition grants, $38,021,500.00." was vetoed by the governor on September 30, 2019.Subsection (10), as added by Act 62 of 2019, was vetoed by the governor on September 30, 2019. Enacting section 1 of Act 62 of 2019 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2019-2020 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at $1,557,518,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is estimated at $0.00."Subsection (10) as added by Act 86 of 2021, was vetoed by the governor on September 29, 2021.Subsections (10) and (11) as added by Act 144 of 2022 were vetoed by the governor on July 14, 2022.Enacting section 1 of Act 144 of 2022

provides:"Enacting section 1. (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 2021 PA 48, 2022 PA 93, and this amendatory act, from state sources for fiscal year 2021-2022 is estimated at $14,635,534,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at $13,448,739,600.00. 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 2022-2023 is estimated at $17,078,472,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $15,764,187,600.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2022-2023 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $449,058,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $449,058,000.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2021-2022 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2021 PA 86 and this amendatory act, is estimated at $1,979,224,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $1,893,609,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 212 of 2022 provides:"Enacting section 1. (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 2021 PA 48, 2022 PA 93, 2022 PA 144, and this amendatory act, from state sources for fiscal year 2021-2022 is estimated at $14,635,534,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at $13,448,739,600.00. 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 2022 PA 144 and this amendatory act, from state sources for fiscal year 2022-2023 is estimated at $17,090,672,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $15,764,187,600.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2022 PA 144 and this amendatory act, is estimated at $1,888,109,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 103 of 2023 provides:"Enacting section 1. (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 $17,632,218,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at $16,036,571,400.00. 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 $19,258,857,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,622,688,000.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $544,517,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $544,517,500.00."(3) In accordance with section 30 of article IX of the state

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constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2022 PA 144, 2022 PA 212, and this amendatory act, is estimated at $2,088,109,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at $0.00."Enacting section 1 of Act 120 of 2024 provides:"Enacting section 1. (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 2023 PA 103, 2023 PA 320, and this amendatory act from state sources for fiscal year 2023-2024 is estimated at $19,367,907,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at $17,837,248,400.00. 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 2024-2025 is estimated at $18,371,481,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at $16,928,443,900.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at $550,817,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $550,817,500.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2024-2025 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $462,220,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at $461,720,800.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at $2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at $0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2024-2025 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,321,092,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at $70,000.00."Enacting section 1 of Act 15 of 2025 provides:"Enacting section 1. (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 2024 PA 120, 2024 PA 148, and by this amendatory act, from state sources for fiscal year 2024-2025 is estimated at $18,811,776,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at $17,366,388,900.00. 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 2025-2026 is estimated at $18,881,123,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2025-2026 are estimated at $17,433,304,100.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2025-2026 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $493,032,100.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2025-2026 is estimated at $493,032,100.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2025-2026 under article

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III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,333,712,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2025-2026 is estimated at $0.00."Enacting section 1 of Act 25 of 2026 provides:"Enacting section 1. (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 2025 PA 15 and this amendatory act, from state sources for fiscal year 2025-2026 is estimated at $18,693,813,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2025-2026 are estimated at $17,245,994,700.00. 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 2026-2027 is estimated at $19,390,174,600.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2026-2027 are estimated at $17,908,356,700.00."(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2026-2027 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at $496,663,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2026-2027 is estimated at $496,663,500.00."(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2026-2027 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at $2,606,632,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2026-2027 is estimated at $0.00."

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388.1836a Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to legislative intent for appropriations for fiscal year ending September 30, 2021.

388.1836b Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to a federal contingency funds.

***** 388.1836c THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1836c.amended *****

388.1836c State building authority rent.

Sec. 236c.

In addition to the funds appropriated for fiscal year 2025-2026 in section 236, appropriations to the department of technology, management, and budget in the act providing general appropriations for fiscal year 2025-2026 for state building authority rent, totaling an estimated $142,153,900.00, provide funding for the state share of costs for previously constructed capital projects for state universities. These appropriations for state building authority rent represent additional state general fund support provided to public universities, and the following is an estimate of the amount of that support to each public university:

(a) Central Michigan University, $12,914,000.00.
(b) Eastern Michigan University, $6,022,000.00.
(c) Ferris State University, $9,546,000.00.
(d) Grand Valley State University, $8,614,000.00.
(e) Lake Superior State University, $2,229,000.00.

(f) Michigan State University, $16,598,000.00.
(g) Michigan Technological University, $5,521,000.00.
(h) Northern Michigan University, $9,735,900.00.
(i) Oakland University, $11,245,000.00.
(j) Saginaw Valley State University, $7,820,000.00.
(k) University of Michigan - Ann Arbor, $14,068,000.00.
(l) University of Michigan - Dearborn, $10,725,000.00.
(m) University of Michigan - Flint, $6,057,000.00.
(n) Wayne State University, $10,072,000.00.
(o) Western Michigan University, $10,987,000.00.

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History: Add. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1836c.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1836c.amended State building authority rent.

Sec. 236c.

In addition to the funds appropriated for fiscal year 2026-2027 in section 236, appropriations to the department of technology, management, and budget in the act providing general appropriations for fiscal year 2026-2027 for state building authority rent, totaling an estimated $153,218,900.00, provide funding for the state share of costs for previously constructed capital projects for state universities. These appropriations for state building authority rent represent additional state general fund support provided to public universities, and the following is an estimate of the amount of that support to each public university:
(a) Central Michigan University, $12,914,000.00.
(b) Eastern Michigan University, $8,272,000.00.
(c) Ferris State University, $9,546,000.00.
(d) Grand Valley State University, $10,864,000.00.
(e) Lake Superior State University, $2,229,000.00.
(f) Michigan State University, $16,598,000.00.
(g) Michigan Technological University, $5,521,000.00.
(h) Northern Michigan University, $9,735,900.00.
(i) Oakland University, $13,310,000.00.
(j) Saginaw Valley State University, $7,820,000.00.
(k) University of Michigan - Ann Arbor, $14,068,000.00.
(l) University of Michigan - Dearborn, $10,725,000.00.
(m) University of Michigan - Flint, $8,307,000.00.
(n) Wayne State University, $12,322,000.00.
(o) Western Michigan University, $10,987,000.00.

History: Add. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1836d THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1836d.amended *****

388.1836d University operations; MSU AGBioResearch; MSU Extension.

Sec. 236d.

(1) In addition to the funds appropriated under section 232(2) for university operations, for fiscal year 2025-2026 only, there is appropriated an amount not to exceed $50,114,100.00 from the state general fund/general purpose money for 1-time operations increase payments. These funds are intended to be used for the same purposes as the funds appropriated under section 236(2) for university operations.

(2) From the amount appropriated under subsection (1), each university is allocated the following:

(a) Central Michigan University, $2,885,000.00.
(b) Eastern Michigan University, $2,544,200.00.
(c) Ferris State University, $1,812,200.00.
(d) Grand Valley State University, $2,955,400.00.
(e) Lake Superior State University, $438,300.00.
(f) Michigan State University, $9,740,500.00.
(g) Michigan Technological University, $1,650,000.00.
(h) Northern Michigan University, $1,601,100.00.
(i) Oakland University, $2,212,700.00.
(j) Saginaw Valley State University, $1,036,000.00.
(k) University of Michigan – Ann Arbor, $10,924,800.00.
(l) University of Michigan – Dearborn, $954,700.00.
(m) University of Michigan – Flint, $799,900.00.
(n) Wayne State University, $6,886,500.00.
(o) Western Michigan University, $3,672,800.00.

(3) In addition to the funds appropriated in section 236(2) for MSU AgBioResearch, for fiscal year 2025-2026 only, there is appropriated an amount not to exceed $1,184,400.00 from the state general fund/general purpose money for MSU AgBioResearch.

(4) In addition to the funds appropriated in section 236(2) for MSU Extension, for fiscal year 2025-2026 only, there is appropriated an amount not to exceed $1,021,700.00 from the state general fund/general purpose money for MSU Extension.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: Former MCL 388.1836d, which pertained to appropriation of amounts for higher education to increase allocation for tuition incentive program and for grants and financial aid, was repealed by Act 249 of 2016, Eff. Oct. 1, 2016.

***** 388.1836d.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1836d.amended University operations; MSU AGBioResearch; MSU Extension.

Sec. 236d.

(1) In addition to the funds appropriated under section 232(2) for university operations, for fiscal year 2026-2027 only, there is appropriated an amount not to exceed $69,760,300.00 from the school aid fund for 1-time operations increase payments. These funds are intended to be used for the same purposes as the funds appropriated under section 236(2) for university operations.

(2) From the amount appropriated under subsection (1), subject to sections 241a, 241b, 241c, and 244, each university is allocated the following:

(a) Central Michigan University, $3,920,600.00.
(b) Eastern Michigan University, $3,457,500.00.
(c) Ferris State University, $2,462,700.00.
(d) Grand Valley State University, $3,911,200.00.
(e) Lake Superior State University, $595,600.00.
(f) Michigan State University, $12,890,700.00.
(g) Michigan Technological University,$2,242,300.00.
(h) Northern Michigan University, $2,175,900.00.
(i) Oakland University, $2,928,300.00.
(j) Saginaw Valley State University, $1,371,000.00.
(k) University of Michigan – Ann Arbor, $14,458,000.00.
(l) University of Michigan – Dearborn, $1,263,500.00.
(m) University of Michigan – Flint, $1,058,600.00.
(n) Wayne State University, $9,113,600.00.
(o) Western Michigan University, $4,991,200.00.

(3) In addition to the funds appropriated in section 236(2) for MSU AgBioResearch, for fiscal year 2026-2027 only, there is appropriated an amount not to exceed $1,567,500.00 from the state school aid fund for MSU AgBioResearch.

(4) In addition to the funds appropriated in section 236(2) for MSU Extension, for fiscal year 2026-2027 only, there is appropriated an amount not to exceed $1,352,100.00 from the state school aid fund for MSU Extension.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1836d, which pertained to appropriation of amounts for higher education to increase allocation for tuition incentive program and for grants and financial aid, was repealed by Act 249 of 2016, Eff. Oct. 1, 2016.

388.1836e Sunset of state competitive scholarship and state tuition grant programs.

Sec. 236e.

(1) For fiscal year 2025-2026 only, from the general fund/general purpose money appropriated in section 236(1), $50,000,000.00 is allocated for the purpose of sunsetting the state competitive scholarship and state tuition grant programs. The allocation in this section must be distributed in the same manner as funds are distributed for state competitive scholarships under section 251 and state tuition grants under section 252.

(2) The funds allocated under this section for fiscal year 2025-2026 are a work project appropriation, and any unexpended funds remaining at the end of fiscal year 2025-2026 are carried forward into fiscal year 2026-2027, and any unexpended funds remaining at the end of fiscal year 2026-2027 are carried forward into fiscal year 2027-2028, and any unexpended funds remaining at the end of fiscal year 2027-2028 are carried forward into fiscal year 2028-2029. The purpose of the work project is to support remaining students in the state competitive scholarship program and the state tuition grant program in this state. The estimated completion date of the work project is September 30, 2029.

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: Former MCL 388.1836e, which pertained to increase in allocations to tuition reimbursement program and tuition incentive program, was repealed by Act 108 of 2017, Eff. Oct. 1, 2017.

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388.1836f Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an appropriation to Michigan geological survey for costs related to a new facility.

388.1836g Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to federal funding to public universities from the coronavirus relief fund.

388.1836h Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to lump sum payment for pension and other postemployment benefit unfunded actuarial accrued liabilities.

388.1836i Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to operational support payments to universities for the 2020-2021 fiscal year.

***** 388.1836j THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1836j.amended *****

388.1836j Postsecondary scholarship fund.

Sec. 236j.

(1) The postsecondary scholarship fund is created in the department of treasury for the purpose of providing scholarship awards to eligible students who attend eligible postsecondary educational institutions in this state, as provided in subsection (5).

(2) The state treasurer may receive money or other assets from any source for deposit into the postsecondary scholarship fund. The state treasurer shall direct the investment of the

postsecondary scholarship fund. The state treasurer shall credit to the postsecondary scholarship fund interest and earnings from postsecondary scholarship fund investments.

(3) Money in the postsecondary scholarship fund at the close of the fiscal year must remain in the postsecondary scholarship fund and not lapse to the general fund.

(4) The department of treasury is the administrator of the postsecondary scholarship fund for auditing purposes.

(5) Money must be expended from the postsecondary scholarship fund only for the purpose of providing Michigan achievement scholarship awards to eligible students who attend eligible postsecondary educational institutions in this state and for other purposes described in this section. From the funds appropriated in section 236(7) for the Michigan achievement scholarship, the department of lifelong education, advancement, and potential may use up to $10,000,000.00 annually for the purposes of outreach programs to raise awareness of the Michigan achievement scholarship and other state scholarship programs allocated in section 236(7). The department of lifelong education, advancement, and potential shall ensure that state scholarships are well publicized and that high school students are provided information on the availability of financial aid. The department of lifelong education, advancement, and potential may receive and expend funds received from outside sources for scholarships, marketing, or other purposes related to Michigan state scholarships. The department of lifelong education, advancement, and potential shall provide the necessary funding and staff to fully operate the programs.

(6) For the fiscal year ending September 30, 2026, $300,000,000.00 of ongoing funding is deposited into the postsecondary scholarship fund from the following:

(a) State school aid fund, $200,000,000.00.

(b) State general fund/general purpose money, $100,000,000.00.

(7) It is the intent of the legislature that the postsecondary scholarship fund serves as the primary funding source of the Michigan achievement scholarship. To ensure the Michigan achievement scholarship provides ongoing supports for students, it is the intent of the legislature to increase annual deposits into the postsecondary scholarship fund until the fully implemented costs of the Michigan achievement scholarship are deposited annually into the postsecondary scholarship fund.

(8) In addition to the appropriations in section 236, if the amount of general fund money allocated in section 236(7)(a), (b), (d), or (e) is not sufficient to fully fund 1 or more of those awards, there is appropriated from the postsecondary scholarship fund the amount necessary to fully fund those awards. The state budget director shall provide written notification to the house and senate appropriations subcommittee on higher education and the house and senate fiscal agencies prior to any additional appropriation described in this subsection.

(9) In addition to the deposit to the postsecondary scholarship fund described in subsection (6), for the fiscal year ending September 30, 2025 only, an amount not to exceed $80,000,000.00 from the unspent and unreserved state school aid fund balances appropriated under section 11, as recorded as part of the state book-closing process for the 2024-2025 fiscal year, is deposited into the postsecondary scholarship fund.

History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1836j.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1836j.amended Postsecondary scholarship fund.

Sec. 236j.

(1) The postsecondary scholarship fund is created in the department of treasury for the purpose of providing scholarship awards to eligible students who attend eligible postsecondary educational institutions in this state, as provided in subsection (5).

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

(3) Money in the postsecondary scholarship fund at the close of the fiscal year must remain in the postsecondary scholarship fund and not lapse to the general fund.

(4) The department of treasury is the administrator of the postsecondary scholarship fund for auditing purposes.

(5) Money must be expended from the postsecondary scholarship fund for the purpose of supporting state grants and financial aid allocated in section 236(7).

(6) It is the intent of the legislature that the postsecondary scholarship fund serves as a funding source of the Michigan achievement scholarship. To ensure the Michigan achievement scholarship provides ongoing supports for students, it is the intent of the legislature to provide annual ongoing increases for the Michigan achievement scholarship allocated in section 236(7) and to use funds from the postsecondary scholarship fund to support the scale up to the fully implemented costs of the Michigan achievement scholarship.

(7) In addition to the appropriations in section 236, if the amount of state money allocated in section 236(7)(a), (b), (d), or (e) is not sufficient to fully fund 1 or more of those awards, there is appropriated from the postsecondary scholarship fund the amount necessary to fully fund those awards. The state budget director must determine if money is appropriated from the postsecondary scholarship fund under this subsection and shall provide written notification to the standard report recipients prior to any additional appropriation described in this subsection.

(8) For the fiscal year ending September 30, 2027 only, an amount not to exceed $100,000,000.00 from the school aid stabilization fund is deposited into the postsecondary scholarship fund. It is intended that this deposit is funded first from unspent and unreserved state school aid fund balances appropriated under section 11, as recorded as part of the state book-closing process for the 2025-2026 fiscal year, and, if necessary, from available fund balances of other funds created under article I and deposited into the school aid stabilization fund.

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History: Add. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1836k.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1836k.added Allocation for FAFSA completion ticket to tuition incentive.

Sec. 236k.

From the amount described under section 248(7) for marketing of the Michigan achievement scholarship and other state scholarship programs, $1,000,000.00 must be

allocated for the FAFSA completion ticket to tuition incentive. The department of lifelong education, advancement, and potential shall use funds described under this section to run a promotional activity to promote completing the Free Application for Federal Student Aid (FAFSA) for the first time consistent with the promotional-activity exception provided for in section 372(2) of the Michigan penal code, 1931 PA 328, MCL 750.372. The promotional activity must offer prize funds that are available to a number, chosen by the department, of Michigan residents who are selected at random in a manner that ensures geographic diversity across this state, including at least 1 recipient from the Upper Peninsula, who satisfactorily demonstrate to the department that they have completed the FAFSA for the first time.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1836k, which pertained to a distribution to certain public universities for per-student floor funding, was repealed by Act 120 of 2024, Eff. Oct. 1, 2024.

***** 388.1836l.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1836l.added Graduate medical education programming support.

Sec. 236l.

(1) Funds appropriated in section 236(10) must be paid to support graduate medical education programming.

(2) Payments under this section must be made in 1 lump sum to a partnering public university identified by the department of health and human services.

(3) A public university that receives a payment under this section must contribute the entire amount received to the department of health and human services, in a form and manner determined by the department of health and human services, by no later than 30 days after the payment is received.

(4) The department of health and human services must use funds received to support graduate medical education programs in this state.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026

388.1836m Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to funding for infrastructure, technology, equipment, maintenance, and safety items.

388.1836n Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to a supplemental increase for tuition incentive program.

388.1836o Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to payments for capital outlay projects

388.1836r Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to an appropriation for an education performance study.

***** 388.1836s THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1836s.amended *****

388.1836s Legislatively directed spending items; transparency requirements.

Sec. 236s.

(1) Not later than 30 days after the enactment of the amendatory act that added this section, the legislature shall provide to the responsible entity and the state budget director a list of legislatively directed spending items, which may be referred to in this section as grants or direct appropriation grants, funded under the amendatory act that added this section consistent with house or senate rules and this section. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with house or senate rules and this section.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the responsible entity shall perform, at a minimum, at least all of the following activities to administer the grants described in subsection (1):

(a) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The responsible entity shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(b) Verify to the extent possible that a grant recipient is a not-for-profit entity and will use funds as publicly disclosed and for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(c) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. The responsible entity may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(d) Disburse the grant money per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the responsible entity, to verify that expenditures were made in accordance with the project purpose.

(e) If the state budget director determines that information provided by the grantee does not meet the disclosure requirements, that the grant will be used to pay a tax lien, delinquent tax, or other obligation owed to this state, or that the grant will create a conflict of interest, the responsible entity shall not release the grant money to the grantee. Money that is not released under this subdivision lapses at the end of the fiscal year. There is not a conflict of interest if the sponsoring legislator certifies that the sponsoring legislator's immediate family members, legislative staff members that have worked for the sponsoring legislator within the past 2 years, and the sponsoring legislator do not have a direct or indirect pecuniary interest in the legislatively directed spending item.

(3) An executed grant agreement under this section between the responsible entity and a grant recipient must include at least all of the following:

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(a) All necessary identifying information for the grant recipient, including any tax and financial information necessary for the responsible entity to administer grant money under this section.

(b) A description of the project for which the grant money will be expended, including tentative timelines and the estimated budget. Project budget must include how all grant money will be used and must indicate if any grant money will be provided to a third party or subrecipient. The responsible entity shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations under the amendatory act that added this section. The grantee shall return to the state treasury any interest in excess of $1,000.00 earned on the grant money while unexpended and in possession of the grantee.

(c) Unless otherwise specified in the responsible entity's policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of the amendatory act that added this section.

(d) A requirement for reporting by the grant recipient to the responsible entity and the legislative sponsor that provides the status of the project and an accounting of all money expended by the grant recipient, as determined by the responsible entity.

(e) A clawback provision that allows the department of treasury to recoup or otherwise collect any grant money that is declined, unspent, or otherwise misused.

(f) The documents publicly disclosed under subsection (1).

(4) If appropriate to improve the administration or oversight of a grant described in subsection (1), the responsible entity may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(5) A grant recipient shall respond to all reasonable information requests from the responsible entity related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audit as determined by the responsible entity. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient authorized to bind the grant recipient that the requirements of this subsection will be met.

(6) The grant recipient shall expend all grant money awarded and complete all projects not later than September 30, 2030. If at that time any unexpended money remains, the grant recipient shall return that money to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2026, the responsible entity shall return money associated with the grant to the state treasury.

(7) Any grant money that is awarded to a responsible entity is appropriated in that responsible entity for the purpose of the intended grant.

(8) Except as otherwise provided in subsection (9), beginning March 15 of the current fiscal year, the responsible entity shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of money allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The responsible entity shall update the report and post the updated report in a publicly accessible location on its website not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The responsible entity shall include in the report the most comprehensive information the responsible entity has available at the time of posting for grants awarded.

(9) If the state budget office determines that it is more efficient for the state budget office to compile all affected responsible entities' information and post a report of the compiled information rather than the report required under subsection (8) being posted by individual

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responsible entities, the state budget office may compile that information across all affected responsible entities and other state departments and post the compiled report and any updates on the same time schedule as identified in subsection (8).

(10) If the responsible entity reasonably determines that the money allocated for an executed grant agreement under this section was misused or that use of the money was misrepresented by the grant recipient, the responsible entity shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols, which may include referral for criminal investigation.

(11) As used in this section, "responsible entity" means the department of lifelong education, advancement, and potential, a public university, or other person that administers a grant under this article.

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History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1836s.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1836s.amended Legislatively directed spending items; report and posting requirements.

Sec. 236s.

(1) Within 30 days of the enactment of an amendatory act to this article, the house and senate shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded by the amendatory act. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with section 364 and 364a of the management and budget act, 1984 PA 431, MCL 18.1364 and 18.1634a. As used in this subsection, "legislatively directed spending item" means that term as defined in section 364 of the management and budget act, 1984 PA 431, MCL 18.1364.

(2) In accordance with section 364(4) of the management and budget act, 1984 PA 431, MCL 18.364(4), the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department or agency shall include in the report the most comprehensive information the department or agency has available at the time of posting for grants awarded.

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1837 Appropriations subject to MCL 18.1101 to 18.1594.

Sec. 237.

All of the appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019

388.1837a Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to definition of "research facility."

***** 388.1837b THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1837b.amended *****

388.1837b "Center" and "college level equivalent credit examination" defined.

Sec. 237b.

As used in this article:

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

(b) "College level equivalent credit examination" means an examination that is administered by an independent testing service and that is used by colleges and universities generally to award postsecondary credit for achievement of a particular score, and includes, but is not limited to, advanced placement examinations, the DANTES Subject Standardized Test (DSST), and college-level examination program (CLEP) examinations.

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History: Add. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1837b.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1837b.amended "Center", "college level equivalent credit examination", and "standard report recipients" defined.

Sec. 237b.

As used in this article:

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

(b) "College level equivalent credit examination" means an examination that is administered by an independent testing service and that is used by colleges and universities generally to award postsecondary credit for achievement of a particular score, and includes, but is not limited to, advanced placement examinations, the DANTES Subject Standardized Test (DSST), and college-level examination program (CLEP) examinations.

(c) "Standard report recipients" means the senate and house appropriations committees, the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

History: Add. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;--

Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1837c.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1837c.added Annual report on work project accounts.

Sec. 237c.

Not later than 6 months after the state budget office issues work project letters, and again on or by April 15, the state budget office shall submit an annual report that summarizes all work project accounts to the standard report recipients. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

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History: Add. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1838 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1838.amended *****

388.1838 Reporting requirements for public university; use of internet.

Sec. 238.

Unless otherwise specified, a public university receiving appropriations in section 236 shall use the internet to fulfill the reporting requirements of this article. This requirement includes transmission of reports via electronic mail to the recipients identified for each reporting requirement and placement of reports on an internet site.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020

***** 388.1838.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1838.amended Reporting requirements for public university; use of internet.

Sec. 238.

(1) Unless otherwise specified, a public university receiving appropriations in section 236 shall use the internet to fulfill the reporting requirements of this article. This requirement includes transmission of reports via electronic mail to the recipients identified for each reporting requirement and placement of each required report in a single archivable location on an internet site not later than the due date required for each report.

(2) In addition to placing all reports required in the current fiscal year on the public university's website, the public university shall maintain on its website all reports placed on the website from the previous 7 fiscal years, posted by fiscal year in the same single archivable location.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2026, Act 25, Eff. Oct 1, 2026

388.1839 Purchase of goods or services; preference.

Sec. 239.

A public university shall not use funds appropriated in section 236 for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods and services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable value. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans if they are competitively priced and of comparable quality.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012

***** 388.1839a.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1839a.added Efficiency and cost-containment measures.

Sec. 239a.

Public universities are encouraged to evaluate and pursue efficiency and cost-containment measures that maximize state funding. Public universities shall identify practices that increase efficiencies, including, but not limited to, establishing joint ventures, consolidating services, utilizing program collaborations, maximizing educational benefits through optimal class sizes and frequency of course offerings, eliminating low-enrollment and high-cost instructional programs, using self-insurance, practicing energy conservation, and utilizing group purchasing. Public universities shall also review proposed capital outlay projects to increase coordination and utilization of new facilities, renovation projects, and technology improvements.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: Former MCL 388.1839a, which pertained to the lease or purchase of vehicles manufactured outside of the United States, was repealed by Act 249 of 2016, Eff. Oct. 1, 2016.

388.1840 Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to deprived and depressed communities.

***** 388.1841 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1841.amended *****

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388.1841 Payments to public universities; monthly installments.

Sec. 241.

Subject to sections 241a, 241b, 241c, 241e, 241h, and 244, the funds appropriated in sections 236 and 236d to public universities must be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2025. Except for Wayne State University, each institution shall accrue its July and August 2026 payments to its institutional fiscal year ending June 30, 2026.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1841.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1841.amended Payments to public universities; monthly installments.

Sec. 241.

Excluding section 236k, and subject to sections 236l, 241a, 241b, 241c, 241e, and 244, the funds appropriated in sections 236 and 236d to public universities must be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2026. Except for Wayne State University, each institution shall accrue its July and August 2027 payments to its institutional fiscal year ending June 30, 2027.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1841a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1841a.amended *****

388.1841a Annual public university higher education institutional data inventory (HEIDI) reporting; campus safety information and resources link.

Sec. 241a.

(1) All public universities shall submit higher education institutional data inventory (HEIDI) data and associated financial aid program information requested by and in a manner prescribed by the state budget director. For public universities with fiscal years ending June 30, these data

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must be submitted to the state budget director by October 15 of each fiscal year. Public universities with a fiscal year ending September 30 shall submit preliminary HEIDI data by November 15 and final data by December 15.

(2) It is intended that accountability reporting for public universities will be streamlined through HEIDI. The state budget director and the center will work to combine the reporting requirements outlined in this subsection with the existing HEIDI collection cycle. All of the following must be reported to the house and senate fiscal agencies and the state budget director:

(a) Each public university's certification of its compliance with the requirements described in subsections (4) and (5).

(b) The reporting requirements described in sections 241b and 241c.

(3) If a public university fails to submit HEIDI data and associated financial aid program information in accordance with the required reporting schedule, the state treasurer may withhold the monthly operations installments under section 236 to the public university until those data are submitted. If a public university does not comply with all of the requirements described in subsections (4) and (5) by the end of the fiscal year, the public university forfeits the amount withheld. The state budget director shall notify the chairs of the house and senate appropriations subcommittees on higher education at least 10 days before withholding funds from any public university.

(4) No later than November 1 each year, a public university shall maintain a public transparency website available through a link on its website homepage. The website must include all of the following concerning the public university:

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

(b) A summary of current expenditures for the most recent fiscal year for which they are available, expressed as pie charts in the following 2 categories:

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

(A) Earnings and wages.

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

(C) Retirement benefit costs.

(D) All other personnel costs.

(ii) A chart of all current expenditures the public university reported as part of its higher education institutional data inventory data under subsection (1), broken into the same subcategories in which it reported those data.

(c) Links to all of the following for the public university:

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

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

(iii) Audits and financial reports for the most recent fiscal year for which they are available.

(d) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.

(e) A listing of all debt service obligations, detailed by project, anticipated fiscal year payment for each project, and total outstanding debt for the current fiscal year.

(f) The institution's policy regarding the transferability of core college courses between community colleges and the public university.

(g) A listing of all community colleges that have entered into reverse transfer agreements with the public university.

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(h) A dashboard or report card demonstrating the public university's performance in several "best practice" measures. The dashboard or report card must include at least all of the following for the 3 most recent academic years for which the data are available:

(i) Enrollment.

(ii) Student retention rate.

(iii) Six-year graduation rates.

(iv) Number of Pell grant recipients and graduating Pell grant recipients.

(v) Geographic origination of students, categorized as in-state, out-of-state, and international.

(vi) Faculty to student ratios and total public university employee to student ratios.

(vii) Teaching load by faculty classification.

(viii) Graduation outcome rates, including employment and continuing education.

(i) An icon badge that provides statewide consistency and public visibility. For this purpose, public universities shall use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each public university's homepage. The size of the icon may be reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent with other documents on each public university's website.

(j) A collection and report of the number and percentage of all enrolled students who complete the Free Application for Federal Student Aid, broken out by undergraduate and graduate/professional classifications, reported to the center and posted on its website under the budget transparency icon badge.

(k) The name of the current president, the names of the city and state where the president currently resides, and the president's annual salary.

(5) No later than November 1 each year, a public university shall develop, maintain, and update a "campus safety information and resources" link, prominently displayed on the homepage of its website, to a section of its website containing, at a minimum, all of the following information:

(a) Emergency contact numbers for police, fire, health, and other services.

(b) Hours, locations, telephone numbers, and email contacts for campus public safety offices and title IX offices.

(c) A list of safety and security services provided by the public university, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.

(d) The public university's policies applicable to minors on university property.

(e) A directory of resources available at the public university or surrounding community for students or employees who are survivors of sexual assault or sexual abuse.

(f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family", published in 2018.

(g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information must include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

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***** 388.1841a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1841a.amended Annual public university higher education institutional data inventory (HEIDI) reporting; campus safety information and resources link; compliance certification.

Sec. 241a.

(1) All public universities shall submit higher education institutional data inventory (HEIDI) data and associated financial aid program information requested by and in a manner prescribed by the state budget director. For public universities with fiscal years ending June 30, these data must be submitted to the state budget director by October 15 of each fiscal year. Public universities with a fiscal year ending September 30 shall submit preliminary HEIDI data by November 15 and final data by December 15.

(2) It is intended that accountability reporting for public universities will be streamlined through HEIDI. The state budget director and the center will work to combine the reporting requirements outlined in this subsection with the existing HEIDI collection cycle. All of the following must be reported to the house and senate fiscal agencies and the state budget director:

(a) Each public university's certification of its compliance with the requirements described in subsections (4), (5), and (6).

(b) The reporting requirements described in sections 241b and 241c.

(3) If a public university fails to submit HEIDI data and associated reporting in sections 241a, 241b, 241c, and 244 in accordance with the required reporting schedule, the state budget director may withhold the monthly operations installments under sections 236 and 236d to the public university until those reports are submitted. If a public university does not comply with all of the requirements described in sections 241a, 241b, 241c, and 244 by the end of the fiscal year, the public university forfeits the amount withheld. The state budget director shall notify the standard report recipients at least 10 days before withholding funds from any public university.

(4) No later than the first business day of November of each year, a public university shall maintain a public transparency website available through a link on its website homepage. The website must include all of the following concerning the public university and shall archive the previous versions from the prior 7 fiscal years:

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

(b) A summary of current expenditures for the most recent fiscal year for which they are available, expressed as pie charts in the following 2 categories:

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

(A) Earnings and wages.

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

(C) Retirement benefit costs.

(D) All other personnel costs.

(ii) A chart of all current expenditures the public university reported as part of its higher education institutional data inventory data under subsection (1), broken into the same subcategories in which it reported those data.

(c) Links to all of the following for the public university:

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

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

(iii) Audits and financial reports for the most recent fiscal year for which they are available.

(d) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.

(e) A listing of all debt service obligations, detailed by project, anticipated fiscal year payment for each project, and total outstanding debt for the current fiscal year.

(f) The institution's policy regarding the transferability of core college courses between community colleges and the public university.

(g) A listing of all community colleges that have entered into reverse transfer agreements with the public university.

(h) A dashboard or report card demonstrating the public university's performance in several "best practice" measures. The dashboard or report card must include at least all of the following for the 3 most recent academic years for which the data are available:

(i) Enrollment.

(ii) Student retention rate.

(iii) Six-year graduation rates.

(iv) Number of Pell grant recipients and graduating Pell grant recipients.

(v) Geographic origination of students, categorized as in-state, out-of-state, and international.

(vi) Faculty to student ratios and total public university employee to student ratios.

(vii) Teaching load by faculty classification.

(viii) Graduation outcome rates, including employment and continuing education.

(i) An icon badge that provides statewide consistency and public visibility. For this purpose, public universities shall use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each public university's homepage. The size of the icon may be reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent with other documents on each public university's website.

(j) A collection and report of the number and percentage of all enrolled students who complete the Free Application for Federal Student Aid, broken out by undergraduate and graduate/professional classifications, reported to the center and posted on its website under the budget transparency icon badge.

(k) The name of the current president, the names of the city and state where the president currently resides, and the president's annual salary.

(l) A list of severance payments and the amounts of those payments made to former employees of the university.

(5) No later than the first business day of November of each year, a public university shall develop, maintain, and update a "campus safety information and resources" link, prominently displayed on the homepage of its website, to a section of its website containing, at a minimum, all of the following information:

(a) Emergency contact numbers for police, fire, health, and other services.

(b) Hours, locations, telephone numbers, and email contacts for campus public safety offices and title IX offices.

(c) A list of safety and security services provided by the public university, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.

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(d) The public university's policies applicable to minors on university property.

(e) A directory of resources available at the public university or surrounding community for students or employees who are survivors of sexual assault or sexual abuse.

(f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family", published in 2018.

(g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information must include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

(6) Each public university shall certify to the state budget director by the first business day of November of each year that it complies with all of the following requirements:

(a) The public university participates in reverse transfer agreements described in section 286 with at least 3 community colleges in this state.

(b) The public university does not and will not apply any of the following criteria when determining whether credits earned outside the public university by a student count toward a degree or certificate program offered by the public university:

(i) Whether the credits were earned in a dual enrollment program that counted the credits toward high school graduation requirements.

(ii) Whether the credits were earned in a course that was delivered in a high school classroom, community college classroom or campus, or another location.

(iii) Whether the credits were earned in a course that was delivered online, in person, or hybrid.

(iv) Whether other students enrolled in the course in which the credits were earned were enrolled in high school or counted the course toward high school graduation requirements.

(c) The public university actively participates in and submits timely updates to the Michigan Transfer Network created as part of the Michigan Association of Collegiate Registrars and Admissions Officers transfer agreement.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1841b THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1841b.amended *****

388.1841b Annual security report; Clery Act Report; requirements.

Sec. 241b.

(1) No later than November 1 each year, each public university that receives an appropriation in section 236 shall report its annual security report, also known as the Clery Act Report, as required under 20 USC 1092(f). Each public university shall include a title IX summary report that includes all of the following information:

(a) The amounts and descriptions of all fees incurred in title IX-related civil and criminal litigation.

(b) The number of title IX complaints.

(c) The average length of time for investigation and resolution of title IX complaints.

(d) The aggregate number of title IX cases, investigations, and complaints for each of the categories described in subparagraphs (i) to (v), subject to subparagraph (vi), as follows:

(i) Cases investigated for less than 15 days.

(ii) Cases investigated for at least 15 days and less than 30 days.

(iii) Cases investigated for at least 30 days and less than 60 days.

(iv) Cases investigated for at least 60 days and less than 90 days.

(v) Cases investigated for 90 days or more.

(vi) If, for any category of cases under subparagraphs (i) to (v), there is an aggregate of fewer than 5 cases investigated, the public university shall not report the aggregate number of cases and instead shall report that fewer than 5 cases were investigated.

(e) The number of title IX appeals and the resolutions of those appeals.

(f) The number of title IX-related complaints filed by the public university with law enforcement agencies.

(2) No later than November 1 each year, each public university that receives an appropriation in section 236 shall certify all of the following:

(a) The public university complies with federal regulations under title IX, as required by the United States Department of Education, including, but not limited to, the following:

(i) Use of medical experts that do not have an actual or apparent conflict of interest.

(ii) Issuance of title IX reports to complainants and respondents that are not divergent.

(iii) Notification of resources to each individual who reports having experienced sexual assault by a public university member.

(iv) Consistent annual training for title IX staff and law enforcement.

(b) The public university provides both of the following:

(i) An in-person sexual misconduct prevention presentation or course for all freshman and incoming transfer students, which must include contact information for the title IX office of the public university. For a student who does not have any in-person credit hours on campus, the university may provide the presentation or course electronically.

(ii) An online or electronic sexual misconduct prevention presentation or course for all students not considered freshmen or incoming transfer students.

(c) The public university had a third party review its title IX compliance office and related policies and procedures by the end of the 2018-2019 academic year. A copy of the third-party review must be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies. Each public university shall have a third-party review once every 4 years and a copy of the third-party review must be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies.

(d) The public university requires that the governing board and the president or chancellor of the public university receive quarterly reports from their title IX coordinator or title IX office. The report must contain aggregated data of the number of sexual misconduct reports that the office received for the academic year, the types of reports received, including reports received against employees, and a summary of the general outcomes of the reports and investigations. A member of the governing board may request to review a title IX investigation report involving a complaint against an employee, and the public university shall provide the report in a manner it considers appropriate. The public university shall protect the complainant's anonymity, and the report must not contain specific identifying information.

(e) If allegations against an employee are made in more than 1 title IX complaint that resulted in the public university finding that no misconduct occurred, the public university requires that the title IX officer promptly notify the president or chancellor and a member of the public university's governing board in writing and take all appropriate steps to ensure that the matter is being investigated thoroughly, including hiring an outside investigator for future

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cases involving that employee. A third-party title IX investigation under this subdivision does not prohibit the public university from simultaneously conducting its own title IX investigation through its own title IX coordinator.

(f) The public university's president or chancellor and a member of its governing board has reviewed all title IX reports involving the alleged sexual misconduct of an employee of the public university.

(3) As used in this section, "sexual misconduct" includes, but is not limited to, intimate partner violence, nonconsensual sexual conduct, sexual assault, sexual exploitation, sexual harassment, and stalking.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1841b.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1841b.amended Annual security report; Clery Act Report; requirements.

Sec. 241b.

(1) No later than the first business day of November of each year, each public university that receives an appropriation in section 236 shall report its annual security report, also known as the Clery Act Report, as required under 20 USC 1092(f). Each public university shall include a title IX summary report that includes all of the following information:

(a) The amounts and descriptions of all fees incurred in title IX-related civil and criminal litigation.

(b) The number of title IX complaints.

(c) The average length of time for investigation and resolution of title IX complaints.

(d) The aggregate number of title IX cases, investigations, and complaints for each of the categories described in subparagraphs (i) to (v), subject to subparagraph (vi), as follows:

(i) Cases investigated for less than 15 days.

(ii) Cases investigated for at least 15 days and less than 30 days.

(iii) Cases investigated for at least 30 days and less than 60 days.

(iv) Cases investigated for at least 60 days and less than 90 days.

(v) Cases investigated for 90 days or more.

(vi) If, for any category of cases under subparagraphs (i) to (v), there is an aggregate of fewer than 5 cases investigated, the public university shall not report the aggregate number of cases and instead shall report that fewer than 5 cases were investigated.

(e) The number of title IX appeals and the resolutions of those appeals.

(f) The number of title IX-related complaints filed by the public university with law enforcement agencies.

(2) No later than the first business day of November of each year, each public university that receives an appropriation in section 236 shall certify all of the following:

(a) The public university complies with federal regulations under title IX, as required by the United States Department of Education, including, but not limited to, the following:

(i) Use of medical experts that do not have an actual or apparent conflict of interest.

(ii) Issuance of title IX reports to complainants and respondents that are not divergent.

(iii) Notification of resources to each individual who reports having experienced sexual assault by a public university member.

(iv) Consistent annual training for title IX staff and law enforcement.

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(b) The public university provides both of the following:

(i) An in-person sexual misconduct prevention presentation or course for all freshman and incoming transfer students, which must include contact information for the title IX office of the public university. For a student who does not have any in-person credit hours on campus, the university may provide the presentation or course electronically.

(ii) An online or electronic sexual misconduct prevention presentation or course for all students not considered freshmen or incoming transfer students.

(c) The public university had a third party review its title IX compliance office and related policies and procedures by the end of the 2018-2019 academic year. A copy of the third-party review must be transmitted to the standard report recipients. Each public university shall have a third-party review once every 4 years and a copy of the third-party review must be transmitted to the standard report recipients.

(d) The public university requires that the governing board and the president or chancellor of the public university receive quarterly reports from their title IX coordinator or title IX office. The report must contain aggregated data of the number of sexual misconduct reports that the office received for the academic year, the types of reports received, including reports received against employees, and a summary of the general outcomes of the reports and investigations. A member of the governing board may request to review a title IX investigation report involving a complaint against an employee, and the public university shall provide the report in a manner it considers appropriate. The public university shall protect the complainant's anonymity, and the report must not contain specific identifying information.

(e) If allegations against an employee are made in more than 1 title IX complaint that resulted in the public university finding that no misconduct occurred, the public university requires that the title IX officer promptly notify the president or chancellor and a member of the public university's governing board in writing and take all appropriate steps to ensure that the matter is being investigated thoroughly, including hiring an outside investigator for future cases involving that employee. A third-party title IX investigation under this subdivision does not prohibit the public university from simultaneously conducting its own title IX investigation through its own title IX coordinator.

(f) The public university's president or chancellor and a member of its governing board has reviewed all title IX reports involving the alleged sexual misconduct of an employee of the public university.

(3) As used in this section, "sexual misconduct" includes, but is not limited to, intimate partner violence, nonconsensual sexual conduct, sexual assault, sexual exploitation, sexual harassment, and stalking.

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History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1841c THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1841c.amended *****

388.1841c University tuition and fee restraints; annual rates; uniform reporting requirements.

Sec. 241c.

(1) No later than the first business day of November each year, each public university that receives an appropriation in section 236 shall submit the amount of tuition and fees actually

charged to a full-time resident undergraduate student for academic year 2025-2026 as part of the public university's higher education institutional data inventory (HEIDI) data. A public university shall report any revisions for any semester of the reported academic year to HEIDI within 15 days of being adopted.

(2) Payments under section 236d must be made only to a public university that certifies to the state budget director by the first business day of November each year that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, 2024 for the 2024-2025 academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the 2025-2026 academic year that is greater than 4.5% or $735.00, whichever is greater. For the academic year 2026-2027, the tuition and fee restraint rate for resident undergraduate students is an increase of not greater than 4.0% or $651.00, whichever is greater. It is the intent of the legislature that in the next fiscal year, the tuition and fee restraint rate will be adjusted only for the subsequent academic year. As used in this subsection:

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

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

(3) Each public university shall certify to the state budget director by the first business day of November each year that it complies with all of the following requirements:

(a) The public university participates in reverse transfer agreements described in section 286 with at least 3 community colleges in this state.

(b) The public university does not and will not apply any of the following criteria when determining whether credits earned outside the public university by a student count toward a degree or certificate program offered by the public university:

(i) Whether the credits were earned in a dual enrollment program that counted the credits toward high school graduation requirements.

(ii) Whether the credits were earned in a course that was delivered in a high school classroom, community college classroom or campus, or another location.

(iii) Whether the credits were earned in a course that was delivered online, in person, or hybrid.

(iv) Whether other students enrolled in the course in which the credits were earned were enrolled in high school or counted the course toward high school graduation requirements.

(c) The public university actively participates in and submits timely updates to the Michigan Transfer Network created as part of the Michigan Association of Collegiate Registrars and Admissions Officers transfer agreement.

(4) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 236d has satisfied the tuition restraint requirements of this section. The state budget director has the sole authority to determine if a

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public university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection must also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1841c.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1841c.amended University tuition and fee restraints; annual rates; uniform reporting requirements.

Sec. 241c.

(1) No later than the last business day of August of each year, each public university that receives an appropriation in section 236 shall submit the amount of tuition and fees actually charged to a full-time resident undergraduate student for academic year 2026-2027 as part of the public university's higher education institutional data inventory (HEIDI) data. A public university shall report any revisions for any semester of the reported academic year to HEIDI within 15 days of being adopted.

(2) Payments under section 236d must be made only to a public university that certifies to the state budget director by the last business day of August of each year that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, 2025 for the 2025-2026 academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the 2026-2027 academic year that is greater than 4.0% or $651.00, whichever is greater. For the academic year 2027-2028, the tuition and fee restraint rate for resident undergraduate students is an increase of not greater than 4.0% or $651.00, whichever is greater. It is the intent of the legislature that in the next fiscal year, the tuition and fee restraint rate will be adjusted only for the subsequent academic year. As used in this subsection:

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

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

(3) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 236d has satisfied the tuition restraint requirements of this section. The state budget director has the sole authority to determine if a public university has met the requirements of this section. Information reported by a public

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university to the state budget director under this subsection must also be reported to the standard report recipients.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1841d Repealed. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's Notes: The repealed section pertained to creation of the Michigan office of postsecondary educational attainment.

388.1841e Operations increase; institutional best practices; uniform reporting requirements.

Sec. 241e.

(1) Payments under section 236 for operations increase must be made only to a public university that certifies to the state budget director by the last business day of August each year that it complies with the following:

(a) The institutional best practice described in subdivision (c).

(b) One or more of the institutional best practices described in subdivisions (d) to (g).

(c) The public university accepts the Michigan Transfer Agreement, partners with the Michigan Transfer Network, and promotes clear transfer pathways for interested students by doing all of the following:

(i) Has a policy to help transfer or accept associate degrees from other accredited Michigan postsecondary education institutions.

(ii) Publishes the policy described in subparagraph (i) on the institution's website in an easily accessible way and in admissions materials.

(iii) Provides publicly available information on the Michigan Transfer Network, applicable transfer pathways, and financial aid available to transfer students, at no cost to the student.

(iv) Begins negotiations to increase the number of reverse transfer agreements or articulation agreements and reports on the progress toward completing the agreements to the state budget director by the last business day in February.

(d) The public university requires all students to receive an academic degree or certificate map that outlines required course sequencing, program and institution requirements, declared minor program academic requirements, and a recommended timeline within which courses should be taken and in which specific semester or term in order to satisfy all program requirements to allow the student to graduate on time.

(e) The public university provides non-credit-bearing developmental or remedial courses at a reduced cost to students.

(f) The public university provides each degree- or certificate-seeking student with a designated, trained academic advisor to support student retention, persistence, and completion. The public university shall require students to meet with their academic advisor at least once per semester or term.

(g) The public university provides employees during business hours to assist prospective and current students complete the Free Application for Federal Student Aid.

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(2) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 236 for operations increase has satisfied the institutional best practices requirements of this section. The state budget director has the sole authority to determine if a public university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection must also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

(3) If a public university fails to comply with the certification requirements of this section, the state treasurer may withhold the monthly installments under section 241 to the public university until the report is submitted. If a public university does not comply with the certification requirements described in this section by the end of the fiscal year, the public university forfeits the amount withheld. Forfeited funds must lapse to the fund from which the funds were appropriated. The state budget director shall notify the chairs of the house and senate appropriations subcommittees on higher education at least 10 days before withholding funds from any public university.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1841h Administrative spending restrictions.

Sec. 241h.

It is the intent of the legislature that taxpayer funds appropriated under this article are to be used to educate public university students and continue maintenance of public university buildings and other assets. The goal of the legislature is that taxpayer funds not be used excessively for administration. Therefore, a public university that receives an appropriation under this article shall not spend more than 10% of that appropriation on administration. A sum of money spent in excess of the 10% cap described in this section by a public university results in a forfeiture of an amount equal to 50% of that sum from funds appropriated to that public university, not to exceed the total amount appropriated to that public university under this article. The auditor general may investigate allegations of violations of this section. Funds forfeited under this section must revert, to the extent permitted by law, to the general fund or the state school aid fund. For the purpose of calculations under this section, the amount spent by a public university on administrative costs does not include costs associated with staff working in the following roles: teachers, facilities, public safety, technology, research, instruction, academic support, student services, auxiliary services, or public service.

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1842 Federal or private funds; use.

Sec. 242.

Funds received by the state from the federal government or private sources for the use of a college or university are appropriated for the purposes for which they are provided.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020

388.1843 Furnishing program and financial information.

Sec. 243.

Each public university that receives funds under this article shall furnish all program and financial information that is required by and in a manner prescribed by the state budget director or the house or senate appropriations committee.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012

388.1844 Longitudinal data system data; inclusion in statewide P-20 longitudinal data system.

Sec. 244.

By October 15 of each year, a public university receiving funds in section 236 shall provide its longitudinal data system data set for the preceding academic year to the center for inclusion in the statewide P-20 longitudinal data system described in section 94a. If the state budget director finds that a university has not complied with this section, the state budget director is authorized to withhold the monthly operations installments provided to that university under section 241 until the state budget director finds that the university has complied with this section.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1845 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to a public transparency website.

388.1845a Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to a campus safety information and resources link.

388.1846 Michigan public school employees' retirement system reimbursement; allocation to participating public university; definition.

Sec. 246.

(1) All of the following apply to the allocation of the appropriations described in section 236(4) for payments to universities that are participating entities of the Michigan public school employees' retirement system:

(a) The funds appropriated in section 236(4) for Michigan public school employees' retirement system reimbursement shall be allocated to each participating public university under this section based on each participating public university's percentage of the total

combined payrolls of the universities' employees who are members of the retirement system and who were hired before January 1, 1996 and the universities' employees who would have been members of the retirement system on or after January 1, 1996, but for the enactment of 1995 PA 272 for all public universities that are participating public universities for the immediately preceding state fiscal year.

(b) The amount of a payment under section 236(4) shall be equal to the difference between the unfunded actuarial accrued liability contribution rate for university reporting units 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 25.73% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate for university reporting units of 25.73% under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341. Payments shall be made in a form and manner determined by the office of retirement services.

(c) A public university that receives money under section 236(4) shall use that money solely for the purpose of retirement contributions. Each participating university that receives funds under section 236(4) shall forward an amount equal to the amount received under section 236(4) to the Michigan public school employees' retirement system in a form and manner determined by the office of retirement services.

(2) As used in this section, "participating public university" means a public university 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 pays contributions to the Michigan public school employees' retirement system for the state fiscal year.

History: Add. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016

***** 388.1847 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1847.amended *****

388.1847 Michigan reconnect grants.

Sec. 247.

(1) The funds appropriated in section 236 for Michigan reconnect must be distributed and administered by the department of lifelong education, advancement, and potential pursuant to the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709, the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1711 to 390.1723, and the department's administrative procedures for Michigan reconnect.

(2) For fiscal year 2025-2026 only, the department of lifelong education, advancement, and potential may use the funds appropriated in section 236 for Michigan reconnect to support students who are receiving awards under the temporary "ARP - Michigan reconnect expansion to 21" program described in 2023 PA 119.

History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1847.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

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388.1847.amended Michigan reconnect grants.

Sec. 247.

(1) The funds appropriated in section 236 for Michigan reconnect must be distributed and administered by the department of lifelong education, advancement, and potential pursuant to the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709, the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1711 to 390.1723, and the department's administrative procedures for Michigan reconnect.

(2) For fiscal year 2026-2027 only, the department of lifelong education, advancement, and potential may use the funds appropriated in section 236 for Michigan reconnect to support students who are receiving awards under the temporary "ARP - Michigan reconnect expansion to 21" program described in 2023 PA 119.

History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1847a.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1847a.added Last-dollar financial assistance program; eligible students.

Sec. 247a.

(1) The appropriation in section 236(7)(e) may be used to support last-dollar financial assistance to eligible individuals who are at least 21 years of age and seeking associate degrees, industry-recognized certificates, or credentials. Funds expended under this section must be used to award grants to eligible institutions consistent with the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709, to eligible students as defined in this section, and to administer the program outlined in this section.

(2) Except as provided under subsection (3), the department must develop and implement a program similar to requirements outlined in the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1711 to 390.1723.

(3) To receive an initial grant under this section, an eligible individual must meet both of the following requirements:

(a) Be at least 21 years of age and not more than 24 years of age.

(b) Complete the application in a timely manner and in a form and manner determined by the department.

(4) The department must develop program guidelines and eligibility criteria for the program and must post the information on its publicly accessible website.

(5) The department may award funds under this section for eligible individuals only until the money appropriated to Michigan reconnect in section 236(7)(e) has been fully committed.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1848 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1848.amended *****

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388.1848 Michigan achievement scholarships; definitions; eligibility; reporting obligations.

Sec. 248.

(1) The funds appropriated in section 236 for Michigan achievement scholarships must be distributed as provided in this section and section 248a, pursuant to the administrative procedures for Michigan achievement scholarships of the department.

(2) As used in this section:

(a) "Cost of attendance" means expenses for a student's tuition, mandatory fees, and contact hours for the student's actual program of study; books, supplies, and equipment required for courses of instruction; housing and food costs; transportation expenses; federal student loan fees; miscellaneous expenses, including a reasonable amount for the documented cost of a personal computer, allowance for child care, or allowance for other dependent care; costs related to a disability; costs of obtaining a license, certification, or first professional credential; and reasonable costs for study abroad programs.

(b) "Department" means the department of lifelong education, advancement, and potential.

(c) "Eligible institution" means a public university that receives an appropriation in section 236, a community college that receives an appropriation in section 201, a federally recognized tribal college in this state, or an independent nonprofit college or university in this state as described in section 1 of 1966 PA 313, MCL 390.991.

(d) "Gift aid" includes federal Pell grants under 20 USC 1070a, tuition incentive program benefits under section 256, state tuition grants under section 252, awards received for minimum payments awarded in subsection (4), higher education expenses paid under the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, and all other federal, state, local, or institutional aid in the form of grants, scholarships, or discounts applied toward tuition and mandatory fees. Gift aid does not include student loans, work-study awards, qualified withdrawals made from education savings accounts to pay higher education expenses pursuant to the Michigan education savings program act, 2000 PA 161, MCL 390.1471 to 390.1486, or higher education expenses paid under the Michigan education trust program pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442.

(e) "High school equivalency certificate" means that term as defined in section 4.

(f) "Last-dollar payment amount" means 1 of the following:

(i) For a student attending a community college or federally recognized tribal college, an amount equal to the student's tuition, mandatory fees, and contact hours for the student's actual program of study, minus all gift aid received by the student.

(ii) For a student attending a public university or an independent nonprofit college or university, or for a student enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, an amount equal to the student's individual cost of attendance, minus all gift aid received by the student.

(g) "Minimum payment" means a payment for any eligible cost within the student's individual cost of attendance. The minimum payment must be awarded as a separate payment not included in the student's need-based financial aid. The minimum payment must not be reduced.

(h) "SAI eligible student" means a student who has completed the Free Application for Federal Student Aid and meets at least 1 of the following:

(i) For awards made during academic year 2023-2024, has an expected family contribution of $25,000.00 or less. An individual is considered to have met the requirements of subsection (4) if the individual received the Michigan achievement scholarship in academic year

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2023-2024, was determined to have an expected family contribution of $25,000.00 or less in academic year 2023-2024, and has completed the Free Application for Federal Student Aid for the subsequent award cycles.

(ii) For awards made during academic year 2024-2025 or a subsequent academic year, has completed the Free Application for Federal Student Aid and has a student aid index number of 1 of the following, as applicable:

(A) For a student indicating on the student's Free Application for Federal Student Aid that the student is the only member of the student's household or the student's parents' household attending a postsecondary institution during that academic year, $30,000.00 or less.

(B) For a student indicating on the student's Free Application for Federal Student Aid that the student is not the only member of the student's household or the student's parents' household attending a postsecondary institution during that academic year, the greater of the number described in sub-subparagraph (A) or guidance determined by the department. For the purposes of this sub-subparagraph, the department, in collaboration with the state budget office and the house and senate fiscal agencies, may calculate a student aid index number or may issue administrative guidance for the student aid index eligibility of students with more than 1 member of the student's household or the student's parents' household attending a postsecondary institution during that academic year. It is intended that the utilization of a student aid index instead of expected family contribution does not adversely impact the eligibility of students with multiple members of the student's household or student's parents' household attending postsecondary institutions. It is further intended that the legislature and executive branch work collaboratively to use Michigan achievement scholarship uptake and other relevant data to establish a more permanent measure of financial need for the Michigan achievement scholarship for subsequent academic years.

(3) An individual must meet all of the following criteria each year to be eligible for a Michigan achievement scholarship awarded under this section:

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

(b) Have graduated from high school in this state with a diploma or certificate of completion or achieved a high school equivalency certificate in 2023 or after.

(c) Be a full-time undergraduate student at an eligible institution, as defined by that eligible institution, and be a first-time enrollee in an eligible institution during the 2023-2024 academic year, or a subsequent academic year, within 15 months after high school graduation or attainment of a high school equivalency certificate or have received a Michigan achievement scholarship in a previous academic year. For the purposes of this subdivision, participation in a dual enrollment, early college, or other similar program while attending high school does not disqualify a student from being considered a first-time enrollee.

(d) Maintain satisfactory academic progress, as defined by the eligible institution in which the student is enrolled.

(e) Not be in default on a federal student loan.

(f) Apply for all available gift aid for each academic year in which the individual applies for a Michigan achievement scholarship.

(g) For a student who is enrolled at an eligible institution that is a public university or an independent nonprofit college or university, or who is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, at an eligible institution, be an SAI eligible student.

(4) The amount awarded to an eligible student at an eligible institution must equal 1 of the following, as applicable:

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(a) The amount awarded to an eligible student who is enrolled at an eligible institution that is a community college or federally recognized tribal college where the student is eligible for that institution's in-district tuition rate must be equal to the sum of the last-dollar payment amount. The amount awarded to an eligible student who is eligible for a federal Pell grant under 20 USC 1070a must include an additional amount of $1,000.00.

(b) The amount awarded to an eligible student who is enrolled at an eligible institution that is a community college or federally recognized tribal college where the student is not eligible for that institution's in-district tuition rate must be the lesser of the last-dollar payment amount, or the in-district tuition rate. The amount awarded to an eligible student who is eligible for a federal Pell grant under 20 USC 1070a must include an additional amount of $1,000.00.

(c) The amount awarded to an eligible student who is enrolled at an eligible institution that is a public university or is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, at an eligible institution must equal the sum of following:

(i) A minimum payment of $2,500.00.

(ii) The lesser of $3,000.00 or the student's last-dollar payment amount.

(d) The amount awarded to an eligible student at an eligible institution that is an independent nonprofit college or university must equal the sum of the following:

(i) A minimum payment of $2,500.00.

(ii) The lesser of $3,000.00 or the student's last-dollar payment amount.

(e) Money awarded under this subsection for a Michigan achievement scholarship must be paid to the eligible institution for credit to the student's account.

(5) Subject to section 248a(3)(f)(i), an eligible student may receive a Michigan achievement scholarship award under this section or section 248a for a maximum of 5 academic years, not more than 3 of which may be for attending eligible institutions that are community colleges or federally recognized tribal colleges unless the student is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121. A student may not receive an award under this section and section 248a(3)(f)(i) during the same academic year.

(6) The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

(7) From the funds appropriated in section 236(7) for the Michigan achievement scholarships, the department may not use more than $10,000,000.00 for the purposes of outreach programs to raise awareness of the Michigan achievement scholarship described in this section and section 248a and shall ensure that Michigan achievement scholarships are well publicized and that high school students are provided information on the program. The department may receive and expend funds received from outside sources for scholarships, marketing, or other purposes related to the Michigan achievement scholarship. The department shall provide the necessary funding and staff to fully operate the program.

(8) The department shall convene a workgroup to consider and advise the department on implementing policies for administering the Michigan achievement scholarship. The workgroup shall include participation from the Michigan Association of State Universities and its institutional members, the Michigan College Access Network, the Michigan Community College Association and its institutional members, the Michigan Independent Colleges and Universities and its institutional members, and any other interested stakeholders and offices as determined by the department. The workgroup shall make recommendations on packaging order, packaging structure, definitions of terms not otherwise defined in statute, and other

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administrative regulatory requirements as necessary to implement the Michigan achievement scholarship.

(9) The following reporting obligations apply to the Michigan achievement scholarship program:

(a) By February 15 of each year, the department shall provide a written report, organized by eligible institution, to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director that includes the following information for the previous academic year:

(i) The number of students who qualified for a Michigan achievement scholarship.

(ii) The number of students who received a Michigan achievement scholarship.

(iii) The average number of credits earned by students who received a Michigan achievement scholarship.

(iv) The number of Michigan achievement scholarships that were canceled due to failure to maintain satisfactory academic progress as described in subsection (3)(d).

(v) The number of Michigan achievement scholarships that were canceled due to a student ceasing attendance at an eligible institution. The number must not include any known transfers to another eligible institution.

(vi) The number of Michigan achievement scholarships that were canceled due to a student's failure to maintain full-time status.

(vii) The average Michigan achievement scholarship award per student, delineated by sector, including community colleges, tribal colleges, public universities, independent colleges and universities, and training institutions. As used in this subparagraph, "training institutions" means training institutions accepted to participate in the Michigan achievement scholarship program under section 248a.

(b) Each eligible institution whose students receive awards under this section shall cooperate with the department in a timely manner to facilitate the creation of the report under subdivision (a).

(10) By April 1 of each year, each eligible institution shall submit a report to the department, the state budget office, and the house and senate fiscal agencies providing information as to the average amount of institutional grant aid awarded to full-time first-time undergraduate students for the immediately preceding 2 institution fiscal years. If the average amount of institutional grant aid awarded to full-time first-time undergraduate students in fiscal year 2024-2025 is less than the average amount of institutional grant aid awarded to full-time first-time undergraduate students in fiscal year 2023-2024, the institution shall include in the report a description of any changes to the institutional financial aid during the 2 immediately preceding fiscal years. An institution's report of the average amount of institutional grant aid awarded to full-time first-time undergraduate students pursuant to this subsection must be consistent with data most recently reported to the Integrated Postsecondary Education Data System.

(11) For each fiscal year, an eligible institution shall maintain and report its compliance with the following tuition restraint requirements, as applicable:

(a) For an eligible institution that is a community college, the tuition restraint described in section 217b.

(b) For an eligible institution that is a public university or independent nonprofit college or university, the tuition restraint described in section 241c.

(12) The state budget director shall implement reporting requirements to ensure that an eligible institution has satisfied the tuition restraint requirements of this section. The state

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budget director has the sole authority to determine if an eligible institution has met the requirements of this section.

(13) If an eligible institution exceeds the applicable tuition restraint level for 2 consecutive years, the state budget director may consider the institution ineligible for funding under this section in the subsequent academic year.

(14) If an institution is considered ineligible for funding under this section, the state budget director shall reevaluate the status of the ineligible institution after 1 academic year.

(15) It is the intent of the legislature that an eligible institution will not make reductive changes to scholarship or financial aid programs offered by that eligible institution that have the goal or net effect of shifting the cost burden of those programs to the program described in this section.

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History: Add. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1848.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1848.amended Michigan achievement scholarships; definitions; eligibility; reporting obligations.

Sec. 248.

(1) The funds appropriated in section 236 for Michigan achievement scholarships must be distributed as provided in this section and section 248a, pursuant to the administrative procedures for Michigan achievement scholarships of the department.

(2) As used in this section:

(a) "Cost of attendance" means expenses for a student's tuition, mandatory fees, and contact hours for the student's actual program of study; books, supplies, and equipment required for courses of instruction; housing and food costs; transportation expenses; federal student loan fees; miscellaneous expenses, including a reasonable amount for the documented cost of a personal computer, allowance for child care, or allowance for other dependent care; costs related to a disability; costs of obtaining a license, certification, or first professional credential; and reasonable costs for study abroad programs.

(b) "Department" means the department of lifelong education, advancement, and potential.

(c) "Eligible institution" means a public university that receives an appropriation in section 236, a community college that receives an appropriation in section 201, a federally recognized tribal college in this state, or an independent nonprofit college or university in this state as described in section 1 of 1966 PA 313, MCL 390.991.

(d) "Gift aid" includes federal Pell grants under 20 USC 1070a, tuition incentive program benefits under section 256, state tuition grants under section 252, awards received for minimum payments awarded in subsection (4), higher education expenses paid under the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, and all other federal, state, local, or institutional aid in the form of grants, scholarships, or discounts applied only toward tuition and mandatory fees. Gift aid does not include student loans, work-study awards, qualified withdrawals made from education savings accounts to pay higher education expenses pursuant to the Michigan education savings program act, 2000 PA 161, MCL 390.1471 to 390.1486, or higher education expenses paid under the Michigan education trust

program pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442.

(e) "High school equivalency certificate" means that term as defined in section 4.

(f) "Last-dollar payment amount" means 1 of the following:

(i) For a student attending a community college or federally recognized tribal college, an amount equal to the student's tuition, mandatory fees, and contact hours for the student's actual program of study, minus all gift aid received by the student.

(ii) For a student attending a public university or an independent nonprofit college or university, or for a student enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, an amount equal to the student's individual cost of attendance, minus all gift aid received by the student.

(g) "Minimum payment" means a payment for any eligible cost within the student's individual cost of attendance. The minimum payment must be awarded as a separate payment not included in the student's need-based financial aid. The minimum payment must not be reduced.

(h) "SAI eligible student" means a student who has completed the Free Application for Federal Student Aid and meets at least 1 of the following:

(i) Received the Michigan achievement scholarship in academic year 2023-2024, was determined to have an expected family contribution of $25,000.00 or less in academic year 2023-2024, and has completed the Free Application for Federal Student Aid for the subsequent award cycles.

(ii) For awards made during academic year 2024-2025 or a subsequent academic year, has completed the Free Application for Federal Student Aid and has a student aid index number of 30,000 or less. If the federal government replaces the student aid index number with a new metric, the department shall collaborate with the state budget office and the house and senate fiscal agencies to adopt a new eligibility metric equivalent to a student aid number of 30,000 or less.

(3) Subject to subsection (5), an individual must meet all of the following criteria each year to be eligible for a Michigan achievement scholarship awarded under this section:

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

(b) Have graduated with a high school diploma or certificate of completion or achieved a high school equivalency certificate in 2023 or after.

(c) Be enrolled in an eligible institution as a full-time undergraduate student, as defined by that eligible institution, for the semester the award is received.

(d) Have enrolled for the first time in an eligible institution during the 2023-2024 academic year, or a subsequent academic year, within 15 months after high school graduation or attainment of a high school equivalency certificate or have received a Michigan achievement scholarship or Michigan achievement skills scholarship in a previous academic year. For the purposes of this subdivision, participation in a dual enrollment, early college, or other similar program while attending high school does not disqualify a student from being considered a first-time enrollee.

(e) Maintain satisfactory academic progress, as defined by the eligible institution in which the student is enrolled.

(f) Not be in default on a federal student loan.

(g) Apply for all available gift aid for each academic year in which the individual applies for a Michigan achievement scholarship.

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(h) For a student who is enrolled at an eligible institution that is a public university or an independent nonprofit college or university, or who is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, at an eligible institution, be an SAI eligible student.

(4) The amount awarded to an eligible student at an eligible institution must equal 1 of the following, as applicable:

(a) The amount awarded to an eligible student who is enrolled at an eligible institution that is a community college or federally recognized tribal college where the student is eligible for that institution's in-district tuition rate must be equal to the sum of the last-dollar payment amount. The amount awarded to an eligible student who is eligible for a federal Pell grant under 20 USC 1070a must include an additional amount of $1,000.00.

(b) The amount awarded to an eligible student who is enrolled at an eligible institution that is a community college or federally recognized tribal college where the student is not eligible for that institution's in-district tuition rate must be the lesser of the last-dollar payment amount, or the in-district tuition and mandatory fees rate. The amount awarded to an eligible student who is eligible for a federal Pell grant under 20 USC 1070a must include an additional amount of $1,000.00.

(c) The amount awarded to an eligible student who is enrolled at an eligible institution that is a public university or independent nonprofit university, or is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, at an eligible institution must equal the sum of following:

(i) A minimum payment of $2,500.00.

(ii) The lesser of $3,000.00 or the student's last-dollar payment amount.

(d) Money awarded under this subsection for a Michigan achievement scholarship must be paid to the eligible institution for credit to the student's account.

(5) An eligible student may receive a Michigan achievement scholarship award under this section or section 248a for a maximum of 5 consecutive academic years, starting when the eligible student enrolls at an eligible institution for the first time as described in subsection (3)(d), less any period of eligibility used for a Michigan achievement skills scholarship, and not more than 3 of which may be for attending eligible institutions that are community colleges or federally recognized tribal colleges unless the student is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121. A student may not receive an award under this section and section 248a(3)(f)(i) during the same academic term.

(6) The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

(7) From the funds appropriated in section 236(7) for the Michigan achievement scholarship, the department may use up to $10,000,000.00 annually for the purposes of outreach programs to raise awareness of the Michigan achievement scholarship and other state grants and financial aid allocated in section 236(7). The department shall ensure that state grants and financial aid are well publicized and that high school students are provided information on the availability of financial aid. The department may receive and expend funds received from outside sources for scholarships, marketing, or other purposes related to the Michigan state grants and financial aid. The department shall provide the necessary funding and staff to fully operate the program.

(8) The department shall convene a workgroup to advise the department on the administration of the Michigan achievement scholarship. The workgroup shall include participation from the Michigan Association of State Universities and its institutional

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members, the Michigan College Access Network, the Michigan Community College Association and its institutional members, the Michigan Independent Colleges and Universities and its institutional members, and any other interested stakeholders and offices as determined by the department.

(9) The following reporting obligations apply to the Michigan achievement scholarship program:

(a) By February 15 of each year, the department shall provide a written report, organized by eligible institution, to the standard report recipients that includes the following information for the previous academic year:

(i) The number of students who qualified for a Michigan achievement scholarship.

(ii) The number of students who received a Michigan achievement scholarship.

(iii) The average number of credits earned by students who received a Michigan achievement scholarship.

(iv) The number of Michigan achievement scholarships that were canceled due to failure to maintain satisfactory academic progress as described in subsection (3)(e).

(v) The number of Michigan achievement scholarships that were canceled due to a student ceasing attendance at an eligible institution. The number must not include any known transfers to another eligible institution.

(vi) The number of Michigan achievement scholarships that were canceled due to a student's failure to maintain full-time status.

(vii) The average Michigan achievement scholarship award per student.

(viii) As applicable, a delineation of each measure described in subparagraphs (i) to (vii) by sector, including community colleges, tribal colleges, public universities, and independent colleges and universities.

(b) By September 30 of each year, starting with the fiscal year ending September 30, 2027 and in partnership with the center, create and maintain a publicly available online dashboard that includes all of the following student success information for the previous academic year:

(i) The number of students who received a Michigan achievement scholarship and completed a degree or credential by an eligible institution.

(ii) Type of credentials, including a breakdown of bachelor's and associate degrees, earned by students who received a Michigan achievement scholarship by an eligible institution.

(iii) The percentage of students who received a Michigan achievement scholarship and were eligible for federal Pell grants under 20 USC 1070a.

(iv) The average completion rate for students who received a Michigan achievement scholarship by an eligible institution as defined by the department.

(v) The average persistence rate and credits earned for students who received a Michigan achievement scholarship by an eligible institution as defined by the department.

(vi) As applicable, a delineation of each measure described in subparagraphs (i) to (v) by sector, including community colleges, tribal colleges, public universities, and independent colleges and universities.

(c) Each eligible institution whose students receive awards under this section shall cooperate with the department in a timely manner to facilitate the creation of the report under subdivision (a) and (b).

(10) By April 1 of each year, each eligible institution shall submit a report to the department, the state budget office, and the house and senate fiscal agencies providing information as to the average amount of institutional grant aid awarded to full-time first-time undergraduate students for the immediately preceding 2 institution fiscal years. If the average amount of institutional grant aid awarded to full-time first-time undergraduate students in the

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immediately preceding fiscal year is less than the average amount of institutional grant aid awarded to full-time first-time undergraduate students in the year preceding the immediately preceding institutional fiscal year 2024-2025, the institution shall include in the report a description of any changes to the institutional financial aid during the 2 immediately preceding fiscal years. An institution's report of the average amount of institutional grant aid awarded to full-time first-time undergraduate students pursuant to this subsection must be consistent with data most recently reported to the Integrated Postsecondary Education Data System.

(11) For each fiscal year, an eligible institution shall maintain and report its compliance with the following tuition restraint requirements, as applicable:

(a) For an eligible institution that is a community college or a federally recognized tribal college in this state, the tuition restraint described in section 217b.

(b) For an eligible institution that is a public university or independent nonprofit college or university, the tuition restraint described in section 241c. The report of an eligible institution that is an independent nonprofit college or university must include the actual tuition and mandatory fee rates adopted by the institution's governing body for each academic year described in section 241c.

(12) The state budget director shall implement reporting requirements to ensure that an eligible institution has satisfied the tuition restraint requirements of this section. The state budget director has the sole authority to determine if an eligible institution has met the requirements of this section.

(13) If an eligible institution exceeds the applicable tuition restraint level for 2 consecutive years, the state budget director may consider the institution ineligible for funding under this section in the subsequent academic year.

(14) If an institution is considered ineligible for funding under this section, the state budget director shall reevaluate the status of the ineligible institution annually.

(15) It is the intent of the legislature that an eligible institution will not make reductive changes to institutional grant aid offered by that eligible institution that have the goal or net effect of shifting the cost burden of those programs to the program described in this section.

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History: Add. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2023, Act 320, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1848a THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1848a.amended *****

388.1848a Michigan achievement scholarship private training program; eligibility; rules.

Sec. 248a.

(1) The funds appropriated in section 236 for Michigan achievement scholarships must be distributed as provided in this section and section 248, pursuant to the administrative procedures for Michigan achievement scholarship private training program of the department.

(2) As used in this section:

(a) "Department" means the department of lifelong education, advancement, and potential.

(b) "High school equivalency certificate" means that term as defined in section 4.

(c) "Qualified occupational training program" means that term as defined in section 13 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1713, or a program that provides not less than 150 clock hours of instructional time over a period of not less than 8

weeks in career-oriented skilled trades instruction in maritime trades, at an independent nonprofit institution incorporated in this state that is nationally accredited and approved for federal financial aid.

(3) The department shall do all of the following:

(a) Develop and implement a process by which those seeking to participate in the Michigan achievement scholarship private training program as training institutions offering qualified occupational training programs must apply to the department.

(b) Approve as a qualified occupational training program a program for which an application is submitted under subdivision (a) that meets all of the criteria to qualify as a qualified occupational training program, and post these criteria to the department's website.

(c) Ensure that an applicant under subdivision (a) is first included on this state's eligible training provider list before each of the applicant's programs receives separate approval from the department as being a qualified occupational training program.

(d) Require that training institutions accepted to participate in the Michigan achievement scholarship private training program comply with data requests from the department as a condition of continued participation. For purposes of this subdivision, the department shall require institutions operating apprenticeship programs subject to this section to provide data that tracks relevant work experience required to verify a student's status as an apprentice.

(e) Maintain on its website a list of all qualified occupational training program options available to potential skills scholarship recipients.

(f) Award skills scholarships, subject to all of the following:

(i) A skills scholarship is a grant not to exceed $2,000.00 per year to contribute to tuition costs for a qualified occupational training program at a training institution, both of which are approved under this section, for a training program participant who meets the requirements of subparagraph (ii). A skills scholarship must not exceed the full amount of the tuition charged for the training program. A program participant may receive a skills scholarship under this section for a maximum of 2 academic years.

(ii) To receive the skills scholarship described in subparagraph (i), a qualified occupational training program participant must meet all of the following:

(A) Be a resident of this state for at least the immediately preceding year.

(B) Have graduated from a high school in this state with a diploma or certificate of completion or achieved a high school equivalency certificate in 2023 or after.

(C) Not have previously earned an associate or baccalaureate degree.

(D) Not have previously earned a degree, certificate, or other credential using a skills scholarship awarded under this section.

(E) Timely complete a Michigan achievement scholarship private training program skills scholarship application in a form and manner determined by the department.

(iii) The department may award skills scholarships under this section only until money appropriated to the Michigan achievement scholarship private training program has been fully committed.

(g) Inform each recipient of a skills scholarship that the recipient will remain eligible for the Michigan achievement scholarship under section 248 for a maximum of 5 years, less any years of eligibility used for a skills scholarship awarded under this section, to pursue an associate degree, baccalaureate degree, or occupational certificate upon completion of a certification course of study in a qualified occupational training program.

(4) Except as otherwise provided in subsection (5), the department shall promulgate rules to implement subsection (3)(a), (b), and (d) only, pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, subject to all of the following:

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(a) Under subsection (3)(a), the department is limited to developing the form for the application described in subsection (3)(a) and prescribing the time and manner of its completion.

(b) Under subsection (3)(b), the department is limited to applying the eligibility criteria described in subsection (3)(b) and shall not apply any other eligibility criteria.

(c) Under subsection (3)(d), the department is limited to requiring compliance with data requests as described in subsection (3)(d).

(5) To facilitate implementation of the Michigan achievement scholarship private training program prior to final rules being adopted, the department may develop and administer the program in accordance with its proposed rules or other policy or directive of the department established pursuant to this section.

(6) It is the intent of the legislature that a training institution will not make changes to scholarship or financial aid programs offered by that training institution that have the goal or net effect of shifting the cost burden of those programs to the program described in this section.

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History: Add. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

***** 388.1848a.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1848a.amended Michigan achievement scholarships; definitions; eligibility; reporting obligations.

Sec. 248a.

(1) The funds appropriated in section 236 for the Michigan achievement skills scholarships must be distributed as provided in this section and section 248, pursuant to the administrative procedures for Michigan achievement skills scholarship of the department.

(2) As used in this section:

(a) "Department" means the department of lifelong education, advancement, and potential.

(b) "High school equivalency certificate" means that term as defined in section 4.

(c) "Qualified occupational training program" means that term as defined in section 13 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1713, or a program that provides not less than 150 clock hours of instructional time over a period of not less than 8 weeks in career-oriented skilled trades instruction in maritime trades, at an independent nonprofit institution incorporated in this state that is nationally accredited and approved for federal financial aid.

(3) The department shall do all of the following:

(a) Develop and implement a process by which those seeking to participate in the Michigan achievement skills scholarship as training institutions offering qualified occupational training programs must apply to the department.

(b) Approve as a qualified occupational training program a program for which an application is submitted under subdivision (a) that meets all of the criteria to qualify as a qualified occupational training program, and post these criteria to the department's website.

(c) Ensure that an applicant under subdivision (a) is first included on this state's eligible training provider list before each of the applicant's programs receives separate approval from the department as being a qualified occupational training program.

(d) Require that training institutions accepted to participate in the Michigan achievement skills scholarship comply with data requests from the department as a condition of continued participation. For purposes of this subdivision, the department shall require institutions operating apprenticeship programs subject to this section to provide data that tracks relevant work experience required to verify a student's status as an apprentice.

(e) Maintain on its website a list of all qualified occupational training program options available to potential skills scholarship recipients.

(f) Award skills scholarships, subject to all of the following:

(i) A skills scholarship is a grant not to exceed $2,000.00 per year to contribute to tuition costs for a qualified occupational training program at a training institution, both of which are approved under this section, for a training program participant who meets the requirements of subparagraph (ii). A skills scholarship must not exceed the full amount of the tuition charged for the training program. A program participant may receive a skills scholarship under this section for a maximum of 2 academic years.

(ii) To receive the skills scholarship described in subparagraph (*i*), a qualified occupational training program participant must meet all of the following:

(A) Be a resident of this state for at least the immediately preceding year.

(B) Have graduated with a high school diploma or certificate of completion or achieved a high school equivalency certificate in 2023 or after.

(C) Have enrolled for the first time in a qualified occupational training program during the 2023-2024 academic year, or a subsequent academic year, within 15 months after high school graduation or attainment of a high school equivalency certificate or have received a Michigan achievement scholarship or Michigan achievement skills scholarship in a previous academic year. For the purposes of this subdivision, participation in a dual enrollment, early college, or other similar program while attending high school does not disqualify a student from being considered a first-time enrollee.

(D) Not have previously earned an associate or baccalaureate degree.

(E) Not have previously earned a degree, certificate, or other credential using a skills scholarship awarded under this section.

(F) Timely complete a Michigan achievement skills scholarship application in a form and manner determined by the department.

(iii) The department may award skills scholarships under this section only until money appropriated to the Michigan achievement skills scholarship has been fully committed.

(g) Inform each recipient of a skills scholarship that the recipient will remain eligible for the Michigan achievement scholarship under section 248 for a maximum of 5 years, less any years of eligibility used for a skills scholarship awarded under this section, to pursue an associate degree, baccalaureate degree, or occupational certificate upon completion of a certification course of study in a qualified occupational training program.

(h) By February 15 of each year, provide a written report, organized by qualified occupational training programs, to the standard report recipients that includes the following information for the previous academic year:

(i) The number of program participants who qualified for a Michigan achievement skills scholarship.

(ii) The number of program participants who received a Michigan achievement skills scholarship.

(iii) The average Michigan achievement skills scholarship award, per program participant, delineated by qualified occupational training program.

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(4) Except as otherwise provided in subsection (5), the department shall promulgate rules to implement this section pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(5) It is the intent of the legislature that a training institution will not make changes to scholarship or financial aid programs offered by that training institution that have the goal or net effect of shifting the cost burden of those programs to the program described in this section. A training institution shall not do either of the following as a result of an individual's receipt of a scholarship under this act:

(a) Adjust tuition rates or tuition discounts.

(b) Change its tuition costs.

History: Add. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1849 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1849.amended *****

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388.1849 Children of veterans and officer's survivor tuition grant programs.

Sec. 249.

(1) The funds appropriated in section 236 for the children of veterans and officer's survivor tuition grant programs shall be supported with revenue from the restricted account created in section 5 of the children of veterans tuition grant act, 2005 PA 248, MCL 390.1345. As provided in section 5 of the children of veterans tuition grant act, 2005 PA 248, MCL 390.1345, unexpended funds remaining in the restricted account at the end of the fiscal year shall not lapse to the general fund.

(2) The general fund/general purpose funds appropriated in section 236 for the children of veterans and officer's survivor tuition grant programs shall be deposited into the restricted account described in subsection (1), as required in section 5 of the children of veterans tuition grant act, 2005 PA 248, MCL 390.1345.

(3) Funds deposited into the restricted account under subsection (2) for the children of veterans and officer's survivor tuition grant programs are appropriated and available for allocation as required in the children of veterans tuition grant act, 2005 PA 248, MCL 390.1341 to 390.1346.

History: Add. 2017, Act 108, Eff. Oct. 1, 2017

***** 388.1849.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1849.amended Children of veterans and officer's survivor tuition grant programs.

Sec. 249.

(1) The funds appropriated in section 236 for the children of veterans and officer's survivor tuition grant programs shall be supported with revenue from the restricted account created in section 5 of the children of veterans tuition grant act, 2005 PA 248, MCL 390.1345. As provided in section 5 of the children of veterans tuition grant act, 2005 PA 248, MCL 390.1345, unexpended funds remaining in the restricted account at the end of the fiscal year shall not lapse to the general fund.

(2) The funds appropriated in section 236 for the children of veterans and officer's survivor tuition grant programs shall be deposited into the restricted account described in subsection (1), as required in section 5 of the children of veterans tuition grant act, 2005 PA 248, MCL 390.1345.

(3) Funds deposited into the restricted account under subsection (2) for the children of veterans and officer's survivor tuition grant programs are appropriated and available for allocation as required in the children of veterans tuition grant act, 2005 PA 248, MCL 390.1341 to 390.1346.

History: Add. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1850 Eligibility for scholarship or grant financial aid program; filing of Free Application for Federal Student Aid required.

Sec. 250.

To be considered eligible for any scholarship or grant financial aid program administered by the department of lifelong education, advancement, and potential, the student must file the Free Application for Federal Student Aid (FAFSA) annually, unless annual filing is not required by the department.

History: Add. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

388.1851 State competitive scholarship program.

Sec. 251.

(1) Payments of the amounts included in section 236e for the state competitive scholarship program must be distributed pursuant to 1964 PA 208, MCL 390.971 to 390.981.

(2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the department of lifelong education, advancement, and potential shall determine an actual state competitive scholarship award per student, which must be $1,500.00, that ensures that the aggregate payments for the state competitive scholarship program do not exceed the appropriation contained in section 236e for the state competitive scholarship program. If the department determines that insufficient funds are available to establish an award amount equal to $1,500.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a $1,500.00 award amount. For the purpose of determining a student's financial need under section 6 of 1964 PA 208, MCL 390.976, the department of lifelong education, advancement, and potential shall presume that a student who receives a Michigan achievement scholarship under section 248 has no need for a state competitive scholarship under this section. It is the intent of the legislature that 1964 PA 208, MCL 390.971 to 390.981, will be amended to end competitive scholarship eligibility of students enrolling in college for the first time after the fiscal year ending on September 30, 2023, as those students may be eligible for the Michigan achievement scholarship.

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(3) The department of lifelong education, advancement, and potential shall implement a proportional competitive scholarship award level for recipients enrolled less than full-time in a given semester or term.

(4) If the department of lifelong education, advancement, and potential increases the award per eligible student from that provided in the previous fiscal year, it must not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the award must be proportional for all eligible students receiving awards.

(5) Veterans Administration benefits must not be considered in determining eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2022, Act 212, Imd. Eff. Oct. 12, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1852 State tuition grant award.

Sec. 252.

(1) The amounts appropriated in section 236e for the state tuition grant program must be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

(2) Tuition grant awards must be made to all eligible Michigan residents enrolled in undergraduate degree programs who are qualified.

(3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (6) and (7), the department of lifelong education, advancement, and potential shall determine an actual tuition grant award per student, which must be $3,000.00, that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in section 236e for the state tuition grant program. If the department determines that insufficient funds are available to establish an award amount equal to $3,000.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a $3,000.00 award amount. If the department determines that sufficient funds are available to establish an award amount equal to $3,000.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the award amount established and the projected amount of any projected year-end appropriation balance based on that award amount. By February 18 of each fiscal year, the department shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in section 236e for the tuition grant program. The determination and actions must be reported to the state budget director and the house and senate fiscal agencies no later than the final day of February of each year. If award adjustments are necessary, the students must be notified of the adjustment by March 4 of each year. Subject to subsection (9), for the purposes of determining a student's financial need under 1966 PA 313, MCL 390.991 to 390.997a, the department of lifelong education, advancement, and potential shall presume that a student who is eligible for the Michigan tuition grant for the first time during academic year

2024-2025 or any subsequent year, has no need for a state tuition grant under this section. It is the intent of the legislature that 1966 PA 313, MCL 390.991 to 390.997a, will be amended to end tuition grant eligibility of students enrolling in college for the first time after the fiscal year ending on September 30, 2024, as those students may be eligible for the Michigan achievement scholarship.

(4) The department of lifelong education, advancement, and potential shall continue a proportional tuition grant award level for recipients enrolled less than full-time in a given semester or term.

(5) If the department of lifelong education, advancement, and potential increases the award per eligible student from that provided in the previous fiscal year, it must not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the grant must be proportional for all eligible students receiving awards for that fiscal year.

(6) The department of lifelong education, advancement, and potential shall not award more than $5,000,000.00 in tuition grants to eligible students enrolled in the same independent nonprofit college or university in this state. Any decrease in the grant must be proportional for all eligible students enrolled in that college or university, as determined by the department.

(7) The department of lifelong education, advancement, and potential shall not award tuition grants to otherwise eligible students enrolled in an independent college or university that does not report, in a form and manner directed by and satisfactory to the department of lifelong education, advancement, and potential, by October 31 of each year, all of the following:

(a) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and successfully completed a program or graduated.

(b) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and took a remedial education class.

(c) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and successfully completed a program or graduated.

(8) By February 1 of each year, each independent college and university participating in the tuition grant program shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the institution's title IX coordinator, campus law enforcement personnel, campus public safety personnel, and any other campus personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for institutional personnel.

(9) A student who received a scholarship under this section prior to the academic year 2024-2025 may continue to receive a tuition grant award under this section provided that the student meets all other criteria required for the receipt of a tuition grant award.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Imd. Eff. June 26, 2012 ;-- Am. 2013, Act 60, Imd. Eff. June 13, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am.

2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: Sec. 252, as amended by Act 62 of 2019, was vetoed by the governor on September 30, 2019.

388.1853 Audit of enrollments, degrees, and awards at independent colleges and universities.

Sec. 253.

The auditor general may audit selected enrollments, degrees, and awards at selected independent colleges and universities receiving awards that are administered by the department of lifelong education, advancement, and potential. The audits must be based on definitions and requirements established by the department of lifelong education, advancement, and potential, the state budget director, and the senate and house fiscal agencies. The auditor general shall accept the Free Application for Federal Student Aid (FAFSA) form as the standard of residency documentation.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

388.1854 State competitive scholarship, tuition incentive, tuition grant, Michigan reconnect, and Michigan achievement scholarship programs; quarterly payments.

Sec. 254.

The sums appropriated in sections 236 and 236e for the state competitive scholarship, tuition incentive, tuition grant, Michigan reconnect, and Michigan achievement scholarship programs must be paid out of the state treasury and must be distributed to the respective institutions under a quarterly payment system as follows:

(a) For the state competitive scholarship and tuition grant programs, 50% must be paid at the beginning of the state's first fiscal quarter, 30% during the state's second fiscal quarter, 10% during the state's third fiscal quarter, and 10% during the state's fourth fiscal quarter.

(b) For the tuition incentive program, Michigan reconnect, and Michigan achievement scholarship, 65% must be paid at the beginning of the state's first fiscal quarter, and 35% during the state's second fiscal quarter.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1855 Needs analysis criteria; qualifications.

Sec. 255.

The department of lifelong education, advancement, and potential shall determine the needs analysis criteria for students to qualify for the state competitive scholarship program and tuition grant program. To be consistent with federal requirements, the department of lifelong

education, advancement, and potential may take student wages into consideration when determining the amount of the award.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

***** 388.1856 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1856.amended *****

388.1856 Tuition incentive program; eligibility requirements.

Sec. 256.

(1) The funds appropriated in section 236 for the tuition incentive program must be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of lifelong education, advancement, and potential.

(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate. Students must be enrolled in a certificate or associate degree program and taking classes within the program of study for a certificate or associate degree. Tuition will not be covered for courses outside of a certificate or associate degree program.

(b) "Phase II" means the second part of the tuition incentive program that provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the department of lifelong education, advancement, and potential.

(d) "High school equivalency certificate" means that term as defined in section 4.

(3) An individual must meet the following basic criteria and financial thresholds to be eligible for tuition incentive program benefits:

(a) To be eligible for phase I, an individual must meet all of the following criteria:

(i) Be less than 20 years of age at the time the individual graduates from high school with a diploma or certificate of completion or achieves a high school equivalency certificate or, for students attending a 5-year middle college approved by the Michigan department of education, be less than 21 years of age when the individual graduates from high school.

(ii) Be a United States citizen and maintain residency in this state, as determined for purposes of the Free Application for Federal Student Aid.

(iii) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or achievement of a high school equivalency certificate. All program eligibility expires 10 years after initial enrollment at a participating educational institution.

(iv) Meet the satisfactory academic progress policy of the educational institution attended by the individual.

(b) To be eligible for phase II, an individual must meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, an individual must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if the individual was eligible for Medicaid from this state for 24 months within any 36 months prior to completion of high school or achievement of a high school equivalency

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certificate. The department shall accept certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within any 36 months prior to completion of high school or achievement of a high school equivalency certificate. Certification of eligibility may begin in the sixth grade.

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall only accept standard per-credit hour tuition billings and shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs must not be made for more than 80 semester or 120 term credits for any individual student at any participating institution. The department shall not do either of the following:

(i) Adopt or apply any total semester-credit or term-credit maximum that is less than the 80 semester-credit or 120 term-credit maximum provided in this subdivision.

(ii) Adopt or apply any per-semester or per-term credit maximum for a student whose semester-credit or term-credit load will not result in exceeding the total 80 semester-credit or 120 term-credit maximum provided in this subdivision.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university or a Michigan federal tribally controlled community college, the department shall pay mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported by the last business day of August for the immediately preceding academic year.

(6) A person participating in phase II may be eligible for additional funds not to exceed $500.00 per semester or $400.00 per term up to a maximum of $2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

(8) The department shall notify students in an age-appropriate manner of their financial eligibility for the program any time after the student begins sixth grade.

(9) Except as otherwise provided in sections 13(c) and 17 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1713 and 390.1717, each institution shall ensure that all known available restricted grants for tuition and fees are used before billing the tuition incentive program for any portion of a student's tuition and fees.

(10) The department shall ensure that the tuition incentive program is well publicized and that eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

(11) The department shall collaborate with the center to use the P-20 longitudinal data system to report the following information for each qualified postsecondary institution:

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(a) The number of phase I students in the most recently completed academic year who in any academic year received a tuition incentive program award and who successfully completed a degree or certificate program. Cohort graduation rates for phase I students must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(b) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and who successfully completed a degree or certificate program. Cohort graduation rates for students who received Pell grants must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(12) If a qualified postsecondary institution does not report the data necessary to complete the reporting in subsection (11) to the P-20 longitudinal data system by October 15 for the prior academic year, the department shall not award phase I tuition incentive program funding to otherwise eligible students enrolled in that institution until the data are submitted.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 56, Eff. June 27, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 69, Imd. Eff. Apr. 2, 2020 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1856.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1856.amended Tuition incentive program; eligibility requirements.

Sec. 256.

(1) The funds appropriated in section 236 for the tuition incentive program must be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of lifelong education, advancement, and potential.

(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate. Students must be enrolled in a certificate or associate degree program and taking classes within the program of study for a certificate or associate degree. Tuition will not be covered for courses outside of a certificate or associate degree program.

(b) "Phase II" means the second part of the tuition incentive program that provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the department of lifelong education, advancement, and potential.

(d) "High school equivalency certificate" means that term as defined in section 4.

(3) An individual must meet the following basic criteria and financial thresholds to be eligible for tuition incentive program benefits:

(a) To be eligible for phase I, an individual must meet all of the following criteria:

(i) Be less than 20 years of age at the time the individual graduates from high school with a diploma or certificate of completion or achieves a high school equivalency certificate or, for students attending a 5-year middle college approved by the Michigan department of education,

be less than 21 years of age when the individual graduates from high school, or be considered a special education pupil at the time the individual graduated from high school as described in section 6(4)(l)(i).

(ii) Be a United States citizen and maintain residency in this state, as determined for purposes of the Free Application for Federal Student Aid.

(iii) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or achievement of a high school equivalency certificate. All program eligibility expires 10 years after initial enrollment at a participating educational institution.

(iv) Meet the satisfactory academic progress policy of the educational institution attended by the individual.

(b) To be eligible for phase II, an individual must meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, an individual must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if the individual was eligible for Medicaid from this state for 24 months within any 36 months prior to completion of high school or achievement of a high school equivalency certificate. The department shall accept certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within any 36 months prior to completion of high school or achievement of a high school equivalency certificate. Certification of eligibility may begin in the sixth grade.

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall only accept standard per-credit hour tuition billings and shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs must not be made for more than 80 semester or 120 term credits for any individual student at any participating institution. The department shall not do either of the following:

(i) Adopt or apply any total semester-credit or term-credit maximum that is less than the 80 semester-credit or 120 term-credit maximum provided in this subdivision.

(ii) Adopt or apply any per-semester or per-term credit maximum for a student whose semester-credit or term-credit load will not result in exceeding the total 80 semester-credit or 120 term-credit maximum provided in this subdivision.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university or a Michigan federal tribally controlled community college, the department shall pay mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported by the last business day of August for the immediately preceding academic year.

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(6) A person participating in phase II may be eligible for additional funds not to exceed $500.00 per semester or $400.00 per term up to a maximum of $2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

(8) The department shall notify students in an age-appropriate manner of their financial eligibility for the program any time after the student begins sixth grade.

(9) Except as otherwise provided in sections 13(c) and 17 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1713 and 390.1717, each institution shall ensure that all known available restricted grants for tuition and fees are used before billing the tuition incentive program for any portion of a student's tuition and fees.

(10) The department shall ensure that the tuition incentive program is well publicized and that eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

(11) The department shall collaborate with the center to use the P-20 longitudinal data system to report the following information for each qualified postsecondary institution:

(a) The number of phase I students in the most recently completed academic year who in any academic year received a tuition incentive program award and who successfully completed a degree or certificate program. Cohort graduation rates for phase I students must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(b) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and who successfully completed a degree or certificate program. Cohort graduation rates for students who received Pell grants must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(12) If a qualified postsecondary institution does not report the data necessary to complete the reporting in subsection (11) to the P-20 longitudinal data system by October 15 for the prior academic year, the department shall not award phase I tuition incentive program funding to otherwise eligible students enrolled in that institution until the data are submitted.

(13) By May 14, 2027, the department must compile a report, and submit that report to the standard report recipients, that includes data and trends regarding students who are eligible for phase I or phase II awards under this section and who are also eligible for the Michigan reconnect program as outlined in section 247, or the Michigan achievement scholarship as outlined in section 248, or both. Using state scholarship data from preceding fiscal years, the report shall recommend changes to the tuition incentive program that would improve coordination among state financial aid programs, reduce ongoing costs and state financial aid scholarship duplication, increase student access to postsecondary education, improve on-time completion of postsecondary credentials and degrees, and advance the statewide postsecondary attainment goal described in sections 226e and 275j of this act. The department must coordinate with stakeholders from public and private institutions of higher education in this state and other relevant stakeholders.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 56, Eff. June 27, 2016 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 69, Imd. Eff. Apr. 2, 2020 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1857 Availability of data.

Sec. 257.

To enable the legislature and the state budget director to evaluate the appropriation needs of higher education, each independent college and university shall make available to the legislature or state budget director, upon request, data regarding grants for the preceding, current, and future fiscal years.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012

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388.1858 Student financial aid programs; report.

Sec. 258.

By February 15 of each year, the department of lifelong education, advancement, and potential shall post to its publicly available website a report for the preceding fiscal year on all student financial aid programs for which funds are appropriated in section 236. For each student financial aid program, the report must include, but is not limited to, the total number of awards paid in the preceding fiscal year, the total dollar amount of those awards, and the number of students receiving awards and the total amount of those awards at each eligible postsecondary institution. To the extent information is available, the report must also include information on household income and other demographic characteristics of students receiving awards under each program and historical information on the number of awards and total award amounts for each program.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

388.1859 Informational campaign for financial aid programs.

Sec. 259.

The department of lifelong education, advancement, and potential shall continue an aggressive campaign to inform high school students about the financial aid programs offered by this state and the eligibility requirements for participation in those financial aid programs, including free or reduced tuition programs provided by community colleges and universities in this state.

History: Add. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024
Compiler's Notes: Former MCL 388.1859, which pertained to college access programs, was repealed by Act 85 of 2015, Eff. Oct. 1, 2015.

388.1860 Paying for College in Michigan; online information resource for grades 9 through 12 students and families; requirements; link on website.

Sec. 260.

(1) The department of lifelong education, advancement, and potential shall work with student and postsecondary education groups, including the Michigan College Access Network, the Michigan Association of School Counselors, the Michigan Association of State Universities, the Michigan Community College Association, and the Michigan Independent Colleges and Universities, to provide and update an online informational resource for students in grades 9 through 12 and prospective and current students and families. The online informational resource must be a website or a portion of an existing website titled "Paying for College in Michigan" and designed and maintained by the department of lifelong education, advancement, and potential that, to the extent practicable, contains information, including, but not limited to, all of the following:

(a) A list of public and private community support centers, student debt clinics, and other organizations and their contact information submitted by Michigan College Access Network that provides free information and services for student loan borrowers to help educate them about repayment options and to help them access student loan programs or benefits for which they may be eligible.

(b) Links to state and federal financial aid programs, including FAFSA and College Scorecard.

(c) Links to each promise zone website and the financial aid website to each community college, public university, and independent college and university in this state.

(d) Benefits of federal student loans that may no longer be available if a borrower refinances a loan.

(e) Direct links to net price calculators for each community college receiving an appropriation in section 201 and each public university receiving an appropriation in section 236.

(f) Definitions that clearly delineate the differences between scholarships, grants, and loans.

(g) A description of net price calculators and how to use them to create a personalized estimate of a student's out-of-pocket cost for the coming year based on basic family and financial information and likely financial aid eligibility.

(h) Information on the fundamentals of borrowing and repayment, including, but not limited to, all of the following:

(i) A link to the federal Public Service Loan Forgiveness Program or other state or federal loan forgiveness programs.

(ii) Deciding how much to borrow.

(iii) Creating a plan for borrowing and repayment.

(iv) Estimating how much borrowing is needed for a given school year.

(v) Factors that affect total student loan costs.

(vi) Tips for graduating with less student loan debt.

(vii) A loan payment calculator or a link to a loan payment calculator that can be used for different types of loans.

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(viii) Links to federal student loan entrance and exit counseling services and the FACT tool.

(ix) Student loan debt relief scams.

(i) Loan amortization information.

(2) A public university receiving an appropriation in section 236 shall place a prominent link to the website created under this section on its website homepage.

(3) Independent colleges and universities in this state are encouraged to place a link to the website created under this section on their website homepages.

(4) By November 1 of each year, the department of lifelong education, advancement, and potential shall inform each high school in this state about the website described in this section and encourage them to distribute the information to all students in grades 9 through 12.

(5) The department shall audit the website not less than once every 6 months to ensure links continue to be accurate, active, and up-to-date for students and families.

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History: Add. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: For the transfer of the powers and duties related to the maintenance of the website under this section from the department of treasury to MiLEAP, see E.R.O. 2023-2, compiled at MCL 388.1283.

388.1861 University of Michigan biological station at Douglas Lake.

Sec. 261.

The University of Michigan biological station at Douglas Lake in Cheboygan County is considered a unique resource and is designated as a special research reserve. It is the intent of the legislature to protect and preserve the unique long-term research value and capabilities of the biological station area and Douglas Lake. The legislature further intends that no state programs or policies be developed that would have a deleterious impact on the research value of Douglas Lake.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012

388.1862 Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to policies to minimize cost of textbooks and course materials.

388.1862a Repealed. 2015, Act 85, Eff. Oct. 1, 2015.

Compiler's Notes: The repealed section pertained to policies for reviewing textbook and course materials.

***** 388.1863 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1863.amended *****

388.1863 Project GREEEN.

Sec. 263.

(1) Included in the appropriation in section 236 for fiscal year 2025-2026 for MSU AgBioResearch is $2,982,900.00 and included in the appropriation in section 236 for MSU Extension is $2,645,200.00 for Project GREEEN. Project GREEEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEEN" is an acronym for Generating Research and Extension to Meet Environmental and Economic Needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop Project GREEEN and its program priorities.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1863.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1863.amended Project GREEEN.

Sec. 263.

(1) Included in the appropriation in section 236 for fiscal year 2026-2027 for MSU AgBioResearch is $2,982,900.00 and included in the appropriation in section 236 for MSU Extension is $2,645,200.00 for Project GREEEN. Project GREEEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEEN" is an acronym for Generating Research and Extension to Meet Environmental and Economic Needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop Project GREEEN and its program priorities.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1863a MSU AgBioResearch and MSU Extension; report.

Sec. 263a.

(1) Not later than September 30 of each year, Michigan State University shall submit a report on MSU AgBioResearch and MSU Extension to the house and senate appropriations subcommittees on agriculture and on higher education, the house and senate standing

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committees on agriculture, the house and senate fiscal agencies, and the state budget director for the preceding academic fiscal year.

(2) The report required under subsection (1) must include all of the following:

(a) Total funds expended by MSU AgBioResearch and by MSU Extension identified by state, local, private, federal, and university fund sources.

(b) A review of major programs within both MSU AgBioResearch and MSU Extension with specific reference to accomplishments, impacts, and a specific accounting of Project GREEEN and the Agricultural Climate Resiliency Program expenditures and the impact of those expenditures. The program review for MSU AgBioResearch and MSU Extension should include the following:

(i) The number of agriculture and food-related firms collaborating with and using services of research and extension faculty and staff.

(ii) The number of individuals utilizing MSU Extension's educational services.

(iii) External funds generated in support of research and extension.

(iv) Efforts to improve access to healthy foods for Michigan consumers.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

***** 388.1863b THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1863b.amended *****

388.1863b Agricultural Climate Resiliency Program.

Sec. 263b.

Included in the appropriation in section 236 for fiscal year 2025-2026 for MSU AgBioResearch and MSU Extension is funding for the Agricultural Climate Resiliency Program. The Agricultural Climate Resiliency Program is intended to address environmental sustainability of Michigan agriculture and promote the protection and efficient use of Michigan's water resources.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1863b.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1863b.amended Agricultural Climate Resiliency Program.

Sec. 263b.

Included in the appropriation in section 236 for fiscal year 2026-2027 for MSU AgBioResearch and MSU Extension is funding for the Agricultural Climate Resiliency Program. The Agricultural Climate Resiliency Program is intended to address environmental sustainability of Michigan agriculture and promote the protection and efficient use of Michigan's water resources.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1864 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1864.amended *****

388.1864 Michigan Future Farmers of America Association.

Sec. 264.

Included in the appropriation in section 236 for fiscal year 2025-2026 for Michigan State University is $80,000.00 for the Michigan Future Farmers of America Association. This $80,000.00 allocation must not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1864.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1864.amended Michigan Future Farmers of America Association.

Sec. 264.

Included in the appropriation in section 236 for fiscal year 2026-2027 for Michigan State University is $80,000.00 for the Michigan Future Farmers of America Association. This $80,000.00 allocation must not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1865 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to tuition restraint requirements on increases in tuition and fee rates for resident undergraduate students.

388.1865a Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

388.1865b Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to a reduction in operations funding for failure to submit title IX certification.

388.1865c Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed section pertained to academic program partnerships report.

388.1865d Memorandum of understanding; incidents of sexual assault.

Sec. 265d.

Each public university that receives an appropriation in section 236 is encouraged to enter into a memorandum of understanding with at least 1 local law enforcement agency with jurisdiction on or around campus for the communication and coordination of responses to incidents of sexual assault.

History: Add. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019

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388.1865e Legislative intent.

Sec. 265e.

It is the intent of the legislature that public universities use a portion of funds received in section 236 for campus safety programs, sexual assault prevention programs, and student mental health programs.

History: Add. 2018, Act 265, Eff. Oct. 1, 2018.

388.1865f Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to policies and procedures for accepting and awarding college level equivalent credit examinations.

388.1865g Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to providing information on accelerated degree completion pathways and options.

388.1866 Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to public university operations funding.

388.1866a Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to summoning certain universities with declining enrollment to testify before appropriations subcommittees on higher education.

388.1867 Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to reporting of tuition and fees charged to full-time resident undergraduate students.

***** 388.1868 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1868.amended *****

388.1868 North American Indian tuition waiver costs; report; information to be provided by public university; consolidated report.

Sec. 268.

(1) For the fiscal year ending September 30, 2026, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund.

(2) By January 15 of each year, the department of lifelong education, advancement, and potential shall annually submit to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each public university submitting information under subsection (3), all of the following:

(i) The number of graduate and undergraduate North American Indian students enrolled each term for the previous academic year.

(ii) The number of North American Indian waivers granted each term, including to continuing education students, and the monetary value of the waivers for the previous academic year.

(iii) The number of North American Indian students who receive a granted waiver for the previous academic year.

(iv) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who withdrew from the public university each term during the previous academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.

(v) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who successfully transfer to a 4-year public or private university, or complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for graduate and undergraduate students attending under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.

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(3) By January 1 of each year, a public university that receives an appropriation in section 236, or a tribal college receiving pass-through funds under section 269, 270, or 270c, shall provide to the department of lifelong education, advancement, and potential any information necessary for preparing the report detailed in subsection (2), using guidelines and procedures developed by the department of lifelong education, advancement, and potential.

(4) The department of lifelong education, advancement, and potential may consolidate the report required under this section with the report required under section 223, but a consolidated report must separately identify data for public universities and data for community colleges.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1868.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1868.amended North American Indian tuition waiver costs; report; information to be provided by public university; consolidated report.

Sec. 268.

(1) For the fiscal year ending September 30, 2027, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the state school aid fund.

(2) By January 15 of each year, the department of lifelong education, advancement, and potential shall annually submit to the standard report recipients a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each public university submitting information under subsection (3), all of the following:

(i) The number of graduate and undergraduate Native American students enrolled each term for the previous academic year.

(ii) The number of North American Indian tuition waivers granted each term, including to continuing education students, for the previous academic year.

(iii) The monetary value of the waivers granted each term for the previous academic year.

(iv) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who successfully transfer to a 4-year public or private university, or complete a degree or certificate program, separated by degree or certificate level.

(3) By January 1 of each year, a public university that receives an appropriation in section 236, or a tribal college receiving pass-through funds under section 269, 270, or 270c, shall provide to the department of lifelong education, advancement, and potential any information necessary for preparing the report detailed in subsection (2), using guidelines and procedures developed by the department of lifelong education, advancement, and potential.

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(4) The department of lifelong education, advancement, and potential may consolidate the report required under this section with the report required under section 223, but a consolidated report must separately identify data for public universities and data for community colleges.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1869 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1869.amended *****

388.1869 Payment to Saginaw Chippewa Tribal College; costs of waiving tuition for North American Indians.

Sec. 269.

For fiscal year 2025-2026, from the amount appropriated in section 236 to Central Michigan University for costs incurred under the North American Indian tuition waiver, $80,800.00 must be paid to Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Saginaw Chippewa Tribal College provide the department of lifelong education, advancement, and potential the necessary information for the college to be included in the report required under section 268.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1869.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1869.amended Payment to Saginaw Chippewa Tribal College; costs of waiving tuition for North American Indians.

Sec. 269.

For fiscal year 2026-2027, from the amount appropriated in section 236 to Central Michigan University for costs incurred under the North American Indian tuition waiver, $96,700.00 must be paid to Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Saginaw Chippewa Tribal College provide the department of lifelong

education, advancement, and potential the necessary information for the college to be included in the report required under section 268.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

***** 388.1870 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1870.amended *****

388.1870 Bay Mills Community College; North American Indian tuition waiver funding.

Sec. 270.

For fiscal year 2025-2026, from the amount appropriated in section 236 to Lake Superior State University for costs incurred under the North American Indian tuition waiver, $498,800.00 must be paid to Bay Mills Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Bay Mills Community College provide the department of lifelong education, advancement, and potential the necessary information for the college to be included in the report required under section 268.

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History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: Former MCL 388.1870, which pertained to payments for costs of waiving tuition under the North American Indian tuition waiver, was repealed by Act 86 of 2021, Eff. Oct. 1, 2021.

***** 388.1870.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1870.amended Bay Mills Community College; North American Indian tuition waiver funding.

Sec. 270.

For fiscal year 2026-2027, from the amount appropriated in section 236 to Lake Superior State University for costs incurred under the North American Indian tuition waiver, $465,000.00 must be paid to Bay Mills Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Bay Mills Community College provide the department of lifelong education, advancement, and potential the necessary information for the college to be included in the report required under section 268.

History: Add. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: Former MCL 388.1870, which pertained to payments for costs of waiving tuition under the North American Indian tuition waiver, was repealed by Act 86 of 2021, Eff. Oct. 1, 2021.

388.1870a Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to coordination of goods and services.

388.1870b Repealed. 2021, Act 86, Eff. Oct. 1, 2021.

Compiler's Notes: The repealed section pertained to a 1-time pass-through payment to Bay Mills Community College for educating non-Native American students.

***** 388.1870c THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1870c.amended *****

388.1870c Payment to Keweenaw Bay Ojibwa Community College; costs of waiving tuition for North American Indians.

Sec. 270c.

For fiscal year 2025-2026, from the amount appropriated in section 236 to Northern Michigan University for costs incurred under the North American Indian tuition waiver, $105,700.00 is to be paid to Keweenaw Bay Ojibwa Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Keweenaw Bay Ojibwa Community College provide the department of lifelong education, advancement, and potential the necessary information for the community college to be included in the report required under section 268.

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History: Add. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1870c.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1870c.amended Payment to Keweenaw Bay Ojibwa Community College; costs of waiving tuition for North American Indians.

Sec. 270c.

For fiscal year 2026-2027, from the amount appropriated in section 236 to Northern Michigan University for costs incurred under the North American Indian tuition waiver, $112,200.00 is to be paid to Keweenaw Bay Ojibwa Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Keweenaw Bay Ojibwa Community College provide the department of lifelong education, advancement, and potential the necessary information for the community college to be included in the report required under section 268.

History: Add. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1871 Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to academic program accreditation.

388.1871a Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to prohibition on use of funds for instructional activity for unionization or decertification of a union.

388.1872 Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to rejection of transfer credits by university.

388.1872a Repealed. 2015, Act 85, Eff. Oct. 1, 2015.

Compiler's Notes: The repealed section pertained to report regarding rejection of transfer credits.

388.1873 Repealed. 2015, Act 85, Eff. Oct. 1, 2015.

Compiler's Notes: The repealed section pertained to report on efforts to accommodate sincerely held beliefs of students.

388.1873a Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: The repealed section pertained to use of funds to benefit nonprofit workers training center.

388.1874 Repealed. 2023, Act 103, Eff. Oct. 1, 2023

Compiler's Notes: The repealed section pertained to reporting related to conducting human embryonic stem cell derivation.

388.1874a Repealed. 2015, Act 85, Eff. Oct. 1, 2015.

Compiler's Notes: The repealed section pertained to prohibition against health insurance or fringe benefits for unmarried adult coresident or dependent.

388.1874c Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

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Compiler's Notes: The repealed section pertained to the implementation of sexual assault response training for certain university personnel.

388.1874d Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to an annual security report known as the Clery Act Report..

388.1875 Veterans and active military duty personnel; educational assistance; "veteran" defined.

Sec. 275.

(1) Each public university that receives an appropriation in section 236 shall do all of the following:

(a) Meet the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327, including voluntary participation in the Yellow Ribbon GI Education Enhancement Program established in that act in 38 USC 3317.

(b) Establish an on-campus veterans' liaison to provide information and assistance to all student veterans.

(c) Provide flexible enrollment application deadlines for all veterans.

(d) Include in its admission application process a specific question as to whether an applicant for admission is a veteran, an active member of the military, a member of the national guard or military reserves, or the spouse or dependent of a veteran, active member of the military, or member of the national guard or military reserves, in order to more quickly identify potential educational assistance available to that applicant.

(e) Consider all veterans residents of this state for determining their tuition rates and fees.

(f) Waive enrollment fees for all veterans.

(g) Provide reasonable programming and scheduling accommodations necessary to facilitate a student's military, national guard, or military reserves duties and training obligations.

(h) Provide college level equivalent credit examination opportunities for veterans and active members of the military, national guard, or military reserves within the first semester of enrollment.

(i) Grant college credit for, or create a structure that evaluates granting college credit for, the service background and experience of veterans and members of the military, national guard, or military reserves.

(2) As used in this section, "veteran" means an honorably discharged veteran entitled to educational assistance under section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023

388.1875a Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to prohibition on a public university using funds for self-liquidating projects and a reduction in funding for failure to comply with joint capital outlay subcommittee requirements.

388.1875b Knowledge that applicant for admission is serving, or has served, as member of military, National Guard, or military reserves; duties of public university during application process; "transcript" defined.

Sec. 275b.

(1) Each public university receiving an appropriation in section 236 shall ensure that the public university does all of the following in its admission application process if it knows that an applicant for admission is currently serving, or has ever served, as a member of the military, the National Guard, or the military reserves:

(a) Inform the applicant that the applicant may receive academic credit for college-level training and education the applicant received while serving in the military.

(b) Inform the applicant that the applicant may submit a transcript of the applicant's college-level military training and education to the public university.

(c) If the applicant submits a transcript described in subdivision (b), evaluate that transcript and notify the applicant of what transfer credits are available to the applicant from the public university for the applicant's college-level military training and education.

(d) Inform the applicant of college level equivalent credit examination opportunities.

(2) As used in this section, "transcript" includes a joint services transcript prepared for the applicant under the American council on education registry of credit recommendations.

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History: Add. 2015, Act 44, Eff. Sept. 7, 2015 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024

388.1875c Meningococcal meningitis and vaccine for meningococcal meningitis; materials to be provided to students.

Sec. 275c.

Each university receiving funds under section 236 shall provide students with materials containing information about meningococcal meningitis and the vaccine for meningococcal meningitis, as provided by the department of health and human services pursuant to section 9205a of the public health code, 1978 PA 368, MCL 333.9205a. The materials shall contain information about, at a minimum, the causes and symptoms of meningococcal meningitis, how it is spread, and sources where students may obtain additional information about meningococcal meningitis and where they may obtain vaccination against meningococcal meningitis.

History: Add. 2017, Act 108, Eff. Oct. 1, 2017

388.1875d Disciplinary action; employee communications with legislature; prohibition.

Sec. 275d.

A public university receiving an appropriation in section 236 shall not take disciplinary action against an employee for communicating with a member of the legislature or a legislator's staff.

History: Add. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021

388.1875f Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to a report on activities related to providing open and free expression and speech.

388.1875g Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to reporting of federal funds received related to the COVID-19 pandemic.

388.1875h Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to the adoption of an advocacy policy and its requirements.

388.1875i Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to a mandatory COVID-19 vaccine policy and exemptions.

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388.1875j Postsecondary education goals.

Sec. 275j.

It is the goal of the governor and legislature to ensure that 60% of Michigan's residents achieve a postsecondary credential, high-quality industry certification, associate degree, or bachelor's degree by 2030.

History: Add. 2022, Act 144, Eff. Oct. 1, 2022

***** 388.1875k THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1875k.amended *****

388.1875k University authorizer of charter schools; reporting requirements.

Sec. 275k.

(1) Not later than December 1 of each year, each university that receives an appropriation in section 236 that, in the current or previous academic year, serves or has served as an authorizing body shall submit a report to the house and senate appropriations subcommittees

on higher education, the house and senate fiscal agencies, the state budget director, and the department of education containing, at a minimum, all of the following information, as applicable:

(a) A list of all of the schools currently authorized, and the following information for each school:

(i) The year in which the school was authorized.

(ii) The location of each school.

(iii) The owner of the property at which each school is located and the physical buildings utilized by the school, as applicable.

(b) A list identifying any schools that were closed or lost their authorization in the current or previous academic year.

(c) A description of any new contracts for the operation of a public school academy that will operate as the successor to a public school academy that is currently being operated under a contract issued by another authorizing body that is currently performing in the bottom 5% of schools.

(d) The academic performance of each school currently authorized, including whether a school is identified by the department of education as a partnership school. If a school is identified as a partnership school under this subdivision, the authorizing body shall include a description of corrective actions in the school's partnership agreement, the duration of the partnership agreement, and an assessment of progress toward improvement.

(e) The total enrollment of each school at the time of submission, the grades served, and student turnover rate compared to the previous academic year, as applicable.

(f) Aggregated student enrollment data for students with an individualized education program as well as the total amount of special education cost reimbursements received by each school during the school's most recently completed fiscal year.

(g) The total number of fees, reimbursements, contributions, or charges permitted under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, that are assigned to each school currently authorized in a single academic year.

(h) The names of the members of the board of directors of each school currently authorized and the date that each member of each board was appointed, and a description of the methodology used by the authorizing body to select members for the boards of directors for each school currently authorized by the authorizing body.

(i) The name of the applicant who applied and received approval to organize each currently authorized school.

(j) The list of contracts and length of their terms, with education service providers associated with each school currently authorized pursuant to section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable. The contracts described in this subdivision include, but are not limited to, those described in section 502(2)(d) of the revised school code, 1976 PA 451, MCL 380.502.

(k) Activities undertaken by each university to ensure that the board of directors of each school complies with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, and laws prohibiting conflicts of interest.

(l) A description of the activities undertaken by the university to meet the functions of an authorizing body under section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable.

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(m) A financial report of the authorizing body's use of fees, reimbursements, contributions, or charges collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502. This report must include all of the following, at a minimum:

(i) The total amount of fees collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, by the authorizing body for the authorizing body's most recent fiscal year.

(ii) The amount of funds reported under subparagraph (i) that were spent on compensation for faculty and staff employed primarily to meet the functions of an authorizing body. For the purpose of this subparagraph, an employee is presumed to be primarily employed to meet the functions of an authorizing body if that employee spends more than 50% of the employee's time on those activities.

(iii) The number of positions, organized by job title, associated with expenditures reported under subparagraph (ii).

(iv) The amount of funds reported under subparagraph (i) that were spent on contractual services to meet the functions of an authorizing body.

(v) The amount of funds reported under subparagraph (i) that were spent on other overhead costs to meet the functions of an authorizing body.

(vi) The amount of funds reported under subparagraph (i) that were transferred to another operating unit within the university.

(vii) The amount of funds reported under subparagraph (i) that were spent on activities other than functioning as an authorizing body, including a list of those activities and the amount associated with each activity.

(n) An executive summary section that provides relevant summary data for reporting requirements under subdivisions (a) to (m).

(2) A report submitted under this section must be in a format that meets accessibility standards for viewing on the internet under the Americans with disabilities act of 1990, Public Law 101-336.

(3) A report submitted under this section must be published and updated through a link on the homepage of the public university's website.

(4) In addition to the reporting requirements under this section, each authorizing body that receives an appropriation under section 236 shall adopt a facilities policy ensuring that any structures or other property vacated by a public school academy that ceases operation not contribute to blight in the surrounding neighborhood or community in which the school had previously operated.

(5) As used in this section, "authorizing body" means that term as defined in section 501 of the revised school code, 1976 PA 451, MCL 380.501.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

***** 388.1875k.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1875k.amended University authorizer of charter schools; reporting requirements.

Sec. 275k.

(1) Not later than December 1 of each year, each university that receives an appropriation in section 236 that, in the current or previous academic year, serves or has served as an

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authorizing body shall submit a report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, the state budget director, and the department of education containing, at a minimum, all of the following information, as applicable:

(a) A list of all of the schools currently authorized.

(b) A list identifying any schools that were closed or lost their authorization in the current or previous academic year.

(c) The academic performance of each school currently authorized, including whether a school is identified by the department of education as a partnership school. If a school is identified as a partnership school under this subdivision, the authorizing body shall include a description of corrective actions in the school's partnership agreement, the duration of the partnership agreement, and an assessment of progress toward improvement.

(d) The total number of fees, reimbursements, contributions, or charges permitted under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, that are assigned to each school currently authorized in a single academic year.

(e) A financial report of the authorizing body's use of fees, reimbursements, contributions, or charges collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502. This report must include all of the following, at a minimum:

(i) The total amount of fees collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, by the authorizing body for the authorizing body's most recent fiscal year.

(ii) The amount of funds reported under subparagraph (i) that were spent on compensation for faculty and staff employed primarily to meet the functions of an authorizing body. For the purpose of this subparagraph, an employee is presumed to be primarily employed to meet the functions of an authorizing body if that employee spends more than 50% of the employee's time on those activities.

(iii) The number of positions, organized by job title, associated with expenditures reported under subparagraph (ii).

(iv) The amount of funds reported under subparagraph (i) that were spent on contractual services to meet the functions of an authorizing body.

(v) The amount of funds reported under subparagraph (i) that were spent on other overhead costs to meet the functions of an authorizing body.

(vi) The amount of funds reported under subparagraph (i) that were transferred to another operating unit within the university.

(vii) The amount of funds reported under subparagraph (i) that were spent on activities other than functioning as an authorizing body, including a list of those activities and the amount associated with each activity.

(f) An executive summary section that provides relevant summary data for reporting requirements under subdivisions (a) to (e).

(2) A report submitted under this section must be in a format that meets accessibility standards for viewing on the internet under the Americans with disabilities act of 1990, Public Law 101-336.

(3) A report submitted under this section must be published and updated through a link on the homepage of the public university's website.

(4) In addition to the reporting requirements under this section, each authorizing body that receives an appropriation under section 236 shall adopt a facilities policy ensuring that any structures or other property vacated by a public school academy that ceases operation not

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contribute to blight in the surrounding neighborhood or community in which the school had previously operated.

(5) As used in this section, "authorizing body" means that term as defined in section 501 of the revised school code, 1976 PA 451, MCL 380.501.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

388.1875m University on-campus housing report.

Sec. 275m.

(1) Each public university that receives an appropriation in section 236 and requires students to reside on campus for any amount of time shall report all of the following:

(a) Whether the university requires any students to reside on campus as a condition of enrollment at that university.

(b) A summary of any policy or policies requiring students to reside on campus, if applicable.

(c) The average charge for room and board at the university for the current academic year. The average charge under this subdivision must be calculated based on the accommodation and meal plan that is most commonly selected by students subject to a policy reported under subdivision (b).

(d) The average charge for room and board for the accommodation and meal plan selection reported in subdivision (c) for the previous 5 academic years. If the accommodation and meal plan reported under subdivision (c) was not offered in a previous academic year, the university shall report the charge for a similar alternative instead.

(2) Each public university required to submit a report under subsection (1) shall submit that report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, the state budget director, and the director of the department of lifelong education, advancement, and potential by November 30 of each year.

CAUTION! This document is from an archive and may contain outdated information.

History: Add. 2024, Act 120, Eff. Oct. 1, 2024

***** 388.1876 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1876.amended *****

388.1876 Martin Luther King, Jr. – Cesar Chavez – Rosa Parks future faculty fellowship program.

Sec. 276.

(1) Included in the appropriation for fiscal year 2025-2026 for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty fellowship program that is intended to increase the pool of academically or economically disadvantaged candidates pursuing faculty or administration careers in postsecondary education in this state. Preference may not be given to applicants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage applications from applicants who would otherwise not adequately be represented in the graduate student,

faculty, or administration populations. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the future faculty fellowship program.

(2) Each public university shall administer the program in a manner prescribed by the department of labor and economic opportunity. The department of labor and economic opportunity shall use a good-faith effort standard to evaluate whether a fellowship is in default. All of the following apply to the program:

(a) By June 15 of each year, public universities shall report any anticipated unexpended or unencumbered program funds to the department of labor and economic opportunity. Encumbered funds are those funds that were committed by a fellowship agreement that is signed during the current fiscal year or administrative expenses that have been approved by the department of labor and economic opportunity.

(b) Before September 1 of each year, unexpended or unencumbered funds may be transferred, under the direction of the department of labor and economic opportunity, to a future faculty fellowship program at another public university to be awarded to an eligible candidate at that public university.

(c) Program allocations not expended or encumbered by September 30, 2027 must be returned to the department of labor and economic opportunity so that those funds may lapse to the state general fund.

(d) Not more than 5% of each public university's allocation for the program may be used for administration of the program.

(e) In addition to the appropriation for fiscal year 2025-2026, any revenue received during prior fiscal years by the department of labor and economic opportunity from defaulted fellowship agreements is appropriated for the purposes originally intended.

CAUTION! This document is from an archive and may contain outdated information

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1876.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1876.amended Martin Luther King, Jr. – Dolores Huerta - Morris Hood Jr. – Rosa Parks future faculty fellowship program.

Sec. 276.

(1) Included in the appropriation for fiscal year 2026-2027 for each public university in section 236 is funding for the Martin Luther King, Jr. - Dolores Huerta – Morris Hood Jr. - Rosa Parks future faculty fellowship program that is intended to increase the pool of academically or economically disadvantaged candidates pursuing faculty or administration careers in postsecondary education in this state. Preference may not be given to applicants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage

applications from applicants who would otherwise not adequately be represented in the graduate student, faculty, or administration populations. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the future faculty fellowship program.

(2) Each public university shall administer the program in a manner prescribed by the department of labor and economic opportunity. The department of labor and economic opportunity shall use a good-faith effort standard to evaluate whether a fellowship is in default. All of the following apply to the program:

(a) By June 15 of each year, public universities shall report any anticipated unexpended or unencumbered program funds to the department of labor and economic opportunity. Encumbered funds are those funds that were committed by a fellowship agreement that is signed during the current fiscal year or administrative expenses that have been approved by the department of labor and economic opportunity.

(b) Before September 1 of each year, unexpended or unencumbered funds may be transferred, under the direction of the department of labor and economic opportunity, to a future faculty fellowship program at another public university to be awarded to an eligible candidate at that public university.

(c) Program allocations not expended or encumbered by September 30, 2028 must be returned to the department of labor and economic opportunity so that those funds may lapse to the state general fund.

(d) Not more than 5% of each public university's allocation for the program may be used for administration of the program.

(e) In addition to the appropriation for fiscal year 2026-2027, any revenue received during prior fiscal years by the department of labor and economic opportunity from defaulted fellowship agreements is appropriated for the purposes originally intended.

CAUTION! This document is from an archive and may contain outdated information.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1877 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1877.amended *****

388.1877 Martin Luther King, Jr. – Cesar Chavez – Rosa Parks college day program.

Sec. 277.

(1) Included in the appropriation for fiscal year 2025-2026 for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public

universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university must include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds must not be expended to cover indirect costs. Not more than 20% of the university match may be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the college day program.

(3) Each public university shall administer the program described in this section in a manner prescribed by the department of labor and economic opportunity.

CAUTION! This document is from an archive and may contain outdated information.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1877.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1877.amended Martin Luther King, Jr. – Dolores Huerta - Morris Hood Jr. – Rosa Parks college day program.

Sec. 277.

(1) Included in the appropriation for fiscal year 2026-2027 for each public university in section 236 is funding for the Martin Luther King, Jr. - Dolores Huerta – Morris Hood Jr. - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university must include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds must not be expended to cover indirect costs. Not more than 20% of the university match may be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the college day program.

(3) Each public university shall administer the program described in this section in a manner prescribed by the department of labor and economic opportunity.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1878 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1878.amended *****

388.1878 Martin Luther King, Jr. – Cesar Chavez – Rosa Parks select student support services program.

Sec. 278.

(1) Included in the appropriation for fiscal year 2025-2026 for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) An award made under this program to any 1 institution must not be greater than $150,000.00, must have an award period of no more than 2 years, and must be matched on a 70% state, 30% college or university basis.

(3) The department of labor and economic opportunity shall administer the program described in this section.

CAUTION! This document is from an archive and may contain outdated information.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1878.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1878.amended Martin Luther King, Jr. – Dolores Huerta - Morris Hood Jr. – Rosa Parks select student support services program.

Sec. 278.

(1) Included in the appropriation for fiscal year 2026-2027 for each public university in section 236 is funding for the Martin Luther King, Jr. - Dolores Huerta – Morris Hood Jr. -

Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) An award made under this program to any 1 institution must not be greater than $150,000.00, must have an award period of no more than 2 years, and must be matched on a 70% state, 30% college or university basis.

(3) The department of labor and economic opportunity shall administer the program described in this section.

CAUTION! This document is from an archive and may contain outdated information.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1879 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1879.amended *****

388.1879 Martin Luther King, Jr. – Cesar Chavez – Rosa Parks college/university partnership program.

Sec. 279.

(1) Included in the appropriation for fiscal year 2025-2026 for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership program between 4-year public and independent colleges and universities and public community colleges, which is intended to increase the number of academically or economically disadvantaged students who transfer from community colleges into baccalaureate programs in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the transfer student population.

(2) The grants must be made under the program described in this section to Michigan public and independent colleges and universities. An award to any 1 institution must not be greater than $150,000.00, must have an award period of no more than 2 years, and must be matched on a 70% state, 30% college or university basis.

(3) The department of labor and economic opportunity shall administer the program described in this section.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;--

Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1879.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1879.amended Martin Luther King, Jr. – Dolores Huerta - Morris Hood Jr. – Rosa Parks college/university partnership program.

Sec. 279.

(1) Included in the appropriation for fiscal year 2026-2027 for each public university in section 236 is funding for the Martin Luther King, Jr. - Dolores Huerta – Morris Hood Jr. - Rosa Parks college/university partnership program between 4-year public and independent colleges and universities and public community colleges, which is intended to increase the number of academically or economically disadvantaged students who transfer from community colleges into baccalaureate programs in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the transfer student population.

(2) The grants must be made under the program described in this section to Michigan public and independent colleges and universities. An award to any 1 institution must not be greater than $150,000.00, must have an award period of no more than 2 years, and must be matched on a 70% state, 30% college or university basis.

(3) The department of labor and economic opportunity shall administer the program described in this section.

CAUTION! This document is from an archive and may contain outdated information.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1880 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1880.amended *****

388.1880 Martin Luther King, Jr. – Cesar Chavez – Rosa Parks visiting professors program.

Sec. 280.

(1) Included in the appropriation for fiscal year 2025-2026 for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks visiting professors program, which is intended to increase the number of instructors in the classroom to provide role models for academically or economically disadvantaged students. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) The department of labor and economic opportunity shall administer the program described in this section.

(3) The amount allocated to each public university is $11,184.00 and is subject to an award period of no more than 2 years. Each public university receiving funds for fiscal year 2025-2026 under this section shall report to the department of labor and economic opportunity by April 15, 2026 the amount of its unobligated and unexpended funds as of March 31, 2026 and a plan to expend the remaining funds by the end of the fiscal year. The amount of funding reported as not being expended may be transferred, under the direction of the department, to another public university for use under this section.

CAUTION! This document is from an archive and may contain outdated information.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1880.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1880.amended Martin Luther King, Jr. – Dolores Huerta - Morris Hood Jr. – Rosa Parks visiting professors program.

Sec. 280.

(1) Included in the appropriation for fiscal year 2026-2027 for each public university in section 236 is funding for the Martin Luther King, Jr. - Dolores Huerta – Morris Hood Jr. - Rosa Parks visiting professors program, which is intended to increase the number of instructors in the classroom to provide role models for academically or economically disadvantaged students. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) The department of labor and economic opportunity shall administer the program described in this section.

(3) The amount allocated to each public university is $11,184.00 and is subject to an award period of no more than 2 years. Each public university receiving funds for fiscal year 2026-2027 under this section shall report to the department of labor and economic opportunity by April 15, 2027 the amount of its unobligated and unexpended funds as of March 31, 2027 and a plan to expend the remaining funds by the end of the fiscal year. The amount of funding

reported as not being expended may be transferred, under the direction of the department, to another public university for use under this section.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026
Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1881 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1881.amended *****

388.1881 Martin Luther King, Jr. – Cesar Chavez – Rosa Parks initiative for Morris Hood, Jr. educator development program.

Sec. 281.

(1) Included in the appropriation for fiscal year 2025-2026 for each public university in section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program, which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level and teach in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.

(2) The program described in this section must be administered by each state-approved teacher education institution in a manner prescribed by the department of labor and economic opportunity.

(3) Approved teacher education institutions may and are encouraged to use select student support services funding in coordination with the Morris Hood, Jr. funding to achieve the goals of the program described in this section.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025
Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1881.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

CAUTION! This document is from an archive and may contain outdated information.

388.1881.amended Martin Luther King, Jr. – Dolores Huerta - Morris Hood Jr. – Rosa Parks initiative for Morris Hood, Jr. educator development program.

Sec. 281.

(1) Included in the appropriation for fiscal year 2026-2027 for each public university in section 236 is funding under the Martin Luther King, Jr. - Dolores Huerta – Morris Hood Jr. - Rosa Parks initiative for the Morris Hood, Jr. educator development program, which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level and teach in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.

(2) The program described in this section must be administered by each state-approved teacher education institution in a manner prescribed by the department of labor and economic opportunity.

(3) Approved teacher education institutions may and are encouraged to use select student support services funding in coordination with the Morris Hood, Jr. funding to achieve the goals of the program described in this section.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

388.1881a Repealed. 2023, Act 103, Eff. Oct. 1, 2023.

Compiler's Notes: The repealed section pertained to Martin Luther King Jr. – Cesar Chavez – Rosa Parks initiative reporting requirements.

***** 388.1882 THIS SECTION IS AMENDED EFFECTIVE OCTOBER 1, 2026: See 388.1882.amended *****

388.1882 Institutions receiving funds under MCL 388.1878, 388.1879, or 388.1881; providing unobligated and unexpended funds; plan to expend remaining funds; direct or indirect financial aid; prohibition.

Sec. 282.

(1) Each institution receiving funds for fiscal year 2025-2026 under section 278, 279, or 281 shall provide to the department of labor and economic opportunity by April 15, 2026 the unobligated and unexpended funds as of March 31, 2026 and a plan to expend the remaining funds by the end of the fiscal year. Notwithstanding the award limitations in sections 278 and

279, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 278, 279, or 281.

(2) Funds received for the purpose of administering programs under sections 278, 279, and 281 must not be used for direct financial aid or indirect financial aid. However, a public university may provide academic incentives to motivate participating students as approved by the department. As used in this subsection:

(a) "Direct financial aid" includes, but is not limited to, scholarships, payment of tuition, stipends, and work-studies.

(b) "Indirect financial aid" includes, but is not limited to, transportation, textbook allowances, child care support, and assistance with medical premiums or expenses.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 388.1882.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1882.amended Institutions receiving funds under MCL 388.1878, 388.1879, or 388.1881; providing unobligated and unexpended funds; plan to expend remaining funds; direct or indirect financial aid; prohibition.

Sec. 282.

(1) Each institution receiving funds for fiscal year 2026-2027 under section 278, 279, or 281 shall provide to the department of labor and economic opportunity by April 15, 2027 the unobligated and unexpended funds as of March 31, 2027 and a plan to expend the remaining funds by the end of the fiscal year. Notwithstanding the award limitations in sections 278 and 279, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 278, 279, or 281.

(2) Funds received for the purpose of administering programs under sections 278, 279, and 281 must not be used for direct financial aid or indirect financial aid. However, a public university may provide academic incentives to motivate participating students as approved by the department. As used in this subsection:

(a) "Direct financial aid" includes, but is not limited to, scholarships, payment of tuition, stipends, and work-studies.

(b) "Indirect financial aid" includes, but is not limited to, transportation, textbook allowances, child care support, and assistance with medical premiums or expenses.

ARTICLE IV

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;--

Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Eff. Oct. 1, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025 ;-- Am. 2026, Act 25, Eff. Oct. 1, 2026

Compiler's Notes: For the type III transfer of authority, powers, duties, functions, and responsibilities of the talent investment agency and the workforce development agency to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

388.1883 Aggregate academic status of students; P-20 longitudinal data system; review.

Sec. 283.

(1) Using the data provided to the center as required by section 244 of this act, the center shall use the P-20 longitudinal data system to inform interested Michigan high schools and the public regarding the aggregate academic status of its students. The center shall work with the public universities and the Michigan Association of State Universities and in cooperation with the Michigan Association of Secondary School Principals.

(2) Michigan high schools shall systematically inform the public universities about the use of information received under this section in a manner prescribed by the Michigan Association of Secondary School Principals in cooperation with the Michigan Association of State Universities.

(3) The center shall conduct a review of the statewide longitudinal data system and associated data collection processes to identify strategies that would allow for the legal dissemination of student directory information for all students in grades 11 and 12 to Michigan public and independent nonprofit postsecondary institutions.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1884 Academic status of community college transfer students.

Sec. 284.

Using data provided to the center as required by section 244 of this act, the center shall use the P-20 longitudinal data system to inform Michigan community colleges regarding the academic status of community college transfer students. The center shall work with the department of lifelong education, advancement, and potential, the universities, and the Michigan Association of State Universities in cooperation with the Michigan Community College Association.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2014, Act 196, Eff. Oct. 1, 2014 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1884a P-20 longitudinal data reporting by legislative district.

Sec. 284a.

Using data provided to the center as required by section 244 of this act, the center shall work to use the P-20 longitudinal data system to inform the legislature and public on postsecondary measures and outcomes by reporting postsecondary enrollment and other demographic information by legislative district. The center shall work with the Michigan Association of State Universities, the Michigan Community College Association, Michigan Independent Colleges and Universities, and the Michigan Association of Secondary School Principals.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023

388.1885 Transfer of students from community colleges to public universities; encouragement; facilitation.

Sec. 285.

From the funds appropriated in section 236(2), public universities shall work with the state community colleges to encourage the transfer of students from the community colleges to the public universities and to facilitate the transfer of credits from the community colleges to those public universities. Each public university that receives an appropriation under section 236 shall consult with the department of lifelong education, advancement, and potential at least once an academic year on the policies and services the institution implements regarding transfer credits and transfer students.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1886 Statewide reverse transfer agreements.

Sec. 286.

From the funds appropriated in section 236(2), public universities shall work with community colleges in this state to implement statewide reverse transfer agreements to increase the number of students that are awarded credentials of value upon completion of the necessary credits. These statewide agreements shall enable students who have earned a significant number of credits at a community college and transfer to a baccalaureate granting institution before completing a degree to transfer the credits earned at the baccalaureate institution back to the community college in order to be awarded a credential of value. Each public university that receives an appropriation under section 236 shall consult with the department of lifelong education, advancement, and potential at least once an academic year on the policies and services the institution implements regarding reverse transfer agreements.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2015, Act 85, Eff. Oct. 1, 2015 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021 ;-- Am. 2025, Act 15, Imd. Eff. Oct. 7, 2025

388.1886a Repealed. 2017, Act 108, Eff. October 1, 2017.

Compiler's Notes: The repealed section pertained to report detailing number of academic program partnerships between public community colleges, public universities, and private colleges and universities.

388.1886b Repealed. 2022, Act 144, Eff. Oct. 1, 2022.

Compiler's Notes: The repealed section pertained to university's report to legislature on bachelor of science in nursing articulation agreements with community colleges.

388.1887 Repealed. 2025, Act 15, Imd. Eff. Oct. 7, 2025.

Compiler's Notes: The repealed section pertained to publishing the average cost of attendance data.

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388.1889 Auditor general audit; duties; report.

Sec. 289.

(1) In accordance with section 299(4) of the management and budget act, 1984 PA 431, MCL 18.1299, at least once every 4 years, the auditor general shall audit higher education institutional data inventory (HEIDI) data submitted by all public universities under section 241 and may perform audits of selected public universities if determined necessary. The audits shall be based upon the definitions, requirements, and uniform reporting categories established by the state budget director in consultation with the HEIDI advisory committee. The auditor general shall submit a report of findings to the house and senate appropriations committees and the state budget director no later than July 1 of each year an audit takes place.

(2) Student credit hours reports shall not include the following:

(a) Student credit hours generated through instructional activity by faculty or staff in classrooms located outside Michigan, with the exception of instructional activity related to study-abroad programs or field programs.

(b) Student credit hours generated through credit by examination.

(c) Student credit hours generated in new degree programs created on or after January 1, 1975 and before January 1, 2013, that were not specifically authorized for funding by the legislature, except spin-off programs converted from existing core programs, and student credit hours generated in any new degree programs created after January 1, 2013, that are specifically excluded from reporting by the legislature under this section.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2019, Act 62, Eff. Oct. 1, 2019 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020

388.1890 New degree programs.

Sec. 290.

By March 1 of each year, the Michigan Association of State Universities shall provide a listing of new degree programs for which enrollment information will be reported to HEIDI under sections 241 and 289, as well as a listing of degree programs that institutions of higher education will no longer offer in subsequent academic years, to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2013, Act 60, Eff. Oct. 1, 2013 ;-- Am. 2016, Act 249, Eff. Oct. 1, 2016

388.1891 Performance audits.

Sec. 291.

To the extent allowable under section 53 of article IV of the state constitution of 1963, the auditor general may conduct performance audits of public universities receiving funds in section 236 as the auditor general considers necessary.

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History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2012, Act 201, Eff. Oct. 1, 2012 ;-- Am. 2021, Act 86, Eff. Oct. 1, 2021

388.1892 Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to student right-to-know and crime awareness.

388.1893 Repealed. 2016, Act 249, Eff. Oct. 1, 2016.

Compiler's Notes: The repealed section pertained to authorized disclosure of student records.

388.1893a Repealed. 2013, Act 60, Eff. Oct. 1, 2013.

Compiler's Notes: The repealed section pertained to state building authority rent.

388.1894 Repealed. 2012, Act 201, Eff. Oct. 1, 2012.

Compiler's Notes: The repealed section pertained to one-time basis appropriation.

ARTICLE IV
GENERAL PROVISIONS

***** 388.1895.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1895.added State fiscal recovery funds; reappropriation.

Sec. 295.

The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026 are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026 and any subsequent financial closeout period.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026.

***** 388.1895a.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2026 *****

388.1895a.added Reallocation of state fiscal recovery funds.

Sec. 295a.

(1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

History: Add. 2026, Act 25, Eff. Oct. 1, 2026.

388.1896 Excess funds; proration.

Sec. 296.

(1) If the maximum amount appropriated under this act from the state school aid fund for a fiscal year exceeds the amount necessary to fully fund allocations under this act from the state school aid fund, that excess amount must not be expended in that state fiscal year and does not

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lapse to the general fund, but instead is deposited into the school aid stabilization fund created in section 11a.

(2) If the total maximum amount appropriated under all articles of this act from the state school aid fund and the school aid stabilization fund exceeds the amount available for expenditure from the state school aid fund for that fiscal year, payments under sections 11j, 11m, 22a, 26a, 26b, 26c, 31d, 31f, 51a(2), 51a(11), 51c, 53a, 56, 147c, 147e(2)(a), and 152a must be made in full. In addition, for districts beginning operations after 1994-95 that qualify for payments under section 22b, payments under section 22b must be made so that the qualifying districts receive the lesser of an amount equal to the 1994-95 foundation allowance of the district in which the district beginning operations after 1994-95 is located or $5,500.00. The amount of the payment to be made under section 22b for these qualifying districts must be as calculated under section 22a, with the balance of the payment under section 22b being subject to the proration otherwise provided under this subsection and subsection (3). If proration is necessary, state payments under each of the other sections of article I from all state funding sources, and state appropriations to community colleges and public universities under articles II and III from the state school aid fund, must be prorated in the manner prescribed in subsection (3) as necessary to reflect the amount available for expenditure from the state school aid fund for the affected fiscal year. However, if the department of treasury determines that proration will be required under this subsection, or if the department of treasury determines that further proration is required under this subsection after an initial proration has already been made for a fiscal year, the department of treasury shall notify the state budget director, and the state budget director shall notify the legislature at least 30 calendar days or 6 legislative session days, whichever is more, before the department reduces any payments under this act because of the proration. During the 30-calendar-day or 6-legislative-session-day period after that notification by the state budget director, the department shall not reduce any payments under this act because of proration under this subsection. The legislature may prevent proration from occurring by, within the 30-calendar-day or 6-legislative-session-day period after that notification by the state budget director, enacting legislation appropriating additional funds from the general fund, countercyclical budget and economic stabilization fund, state school aid fund balance, or another source to fund the amount of the projected shortfall.

(3) If proration is necessary under subsection (2), the department shall calculate the proration in district and intermediate district payments under article I that is required under subsection (2), and the department of treasury shall calculate the proration in community college and public university payments under articles II and III that is required under subsection (2), as follows:

(a) The department and the department of treasury shall calculate the percentage of total state school aid fund money that is appropriated and allocated under this act for the affected fiscal year for each of the following:

(i) Districts.

(ii) Intermediate districts.

(iii) Entities receiving funding from the state school aid fund under article I other than districts or intermediate districts.

(iv) Community colleges and public universities that receive funding from the state school aid fund.

(b) Subject to subsection (4), the department shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(i) for districts by reducing payments to districts. This reduction must be made

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by calculating an equal dollar amount per pupil as necessary to recover this percentage of the proration amount and reducing each district's total state school aid from state sources, other than payments under sections 11j, 11m, 22a, 26a, 26b, 26c, 31d, 31f, 51a(2), 51a(11), 51c, 53a, 147c, 147e(2)(a), and 152a, by that amount.

(c) Subject to subsection (4), the department shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(ii) for intermediate districts by reducing payments to intermediate districts. This reduction must be made by reducing the payments to each intermediate district, other than payments under sections 26a, 26b, 26c, 51a(2), 51a(11), 53a, 56, 147c, 147e(2)(a), and 152a, on an equal percentage basis.

(d) Subject to subsection (4), the department shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(iii) for entities receiving funding from the state school aid fund under article I other than districts and intermediate districts by reducing payments to these entities. This reduction must be made by reducing the payments to each of these entities, other than payments under sections 11j, 11m, 26a, 26b, and 26c on an equal percentage basis.

(e) The department of treasury shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(iv) for community colleges and public universities that receive funding from the state school aid fund by reducing that portion of the payments under articles II and III to these community colleges and public universities, other than payments under sections 201(5) and 236(4), that is from the state school aid fund on an equal percentage basis.

(4) If a deposit from the school aid countercyclical budget and foundation stabilization fund is made into the state school aid fund for the purposes of eliminating or reducing proration, as provided in section 11z, the amount deposited into the state school aid fund must be used to reduce or eliminate the amount recovered from districts under subsection (3)(b), intermediate districts under subsection (3)(c), and entities receiving funding from the state school aid fund under article I other than districts and intermediate districts under subsection (3)(d). For the purposes of calculations under this subsection, the department shall do all of the following:

(a) Calculate the percentage of total state school aid fund money that is appropriated and allocated under this act for the affected fiscal year for each of the following:

(i) Districts.

(ii) Intermediate districts.

(iii) Entities receiving funding from the state school aid fund under article I other than districts or intermediate districts.

(b) Multiply the resulting percentages calculated under subdivision (a) by the amount deposited from the school aid countercyclical budget and foundation stabilization fund into the state school aid fund to determine how much proration has been reduced or eliminated for districts, intermediate districts, and entities receiving funding from the state school aid fund under article I other than districts or intermediate districts.

(c) Credit the resulting amounts calculated under subdivision (b) toward the total dollar amount necessary for recovery described in subsections (3)(b), (3)(c), and (3)(d), as applicable.

History: Add. 2011, Act 62, Eff. Oct. 1, 2011 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023

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ARTICLE V

388.1897-388.1897l Repealed. 2020, Act 165, Eff. Oct. 1, 2020.

Compiler's Notes: The repealed sections in Article V pertained to the Marshall Plan for Talent.

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