

THE STATE SCHOOL AID ACT OF 1979 (EXCERPT)
Act 94 of 1979

***** 388.1611n.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2008 *****

388.1611n.added 21st century schools fund.

Sec. 11n. (1) From the appropriation in section 11, there is allocated \$15,000,000.00 for 2008-2009 for the purposes of this section. Money allocated under this section shall be deposited in the 21st century schools fund on November 15 of the fiscal year for which it is allocated or on the next business day following that date.

(2) The 21st century schools fund is created as a separate account within the state school aid fund. The state treasurer may receive money or other assets from any source for deposit into the 21st century schools fund. The state treasurer shall direct the investment of the 21st century schools fund. The state treasurer shall credit to the 21st century schools fund interest and earnings from 21st century schools fund investments. Money in the 21st century schools fund at the close of the fiscal year shall remain in the 21st century schools fund and shall not lapse to the state school aid fund or to the general fund. The department of treasury shall be the administrator of the 21st century schools fund for auditing purposes. Money from the 21st century schools fund shall be expended, upon appropriation, only for purposes of this section.

(3) For 2008-2009, an amount not to exceed \$15,000,000.00 is allocated from the 21st century schools fund for 21st century schools grants under this section of up to \$3,000,000.00 for each school project to eligible districts that meet the requirements of this section. The funds may be used for planning and start-up costs of newly constructed or newly configured schools or learning communities and renovations of existing facilities as well as other expenditures outlined in the applicants' proposals relating to planning and start-up costs and approved by the department. Notwithstanding section 17b, the total grant amount for 2008-2009 to each eligible district or public school academy shall be distributed over a 4-year period on a schedule to be determined by the department.

(4) To apply for a 21st century schools grant, an eligible district shall submit an application to the department, in a form and manner prescribed by the department, that meets the application criteria under this section. An application shall demonstrate to the satisfaction of the department that the school or learning community of an eligible district to be funded meets all of the following:

(a) Will be designed to achieve the following outcomes not later than the school year in which the third high school graduating class graduates from the school or learning community:

(i) An 80% graduation rate, as determined by the department.

(ii) At least 80% of the high school graduates from the school or learning community are enrolled in postsecondary studies within 6 months after high school graduation. For purposes of this subparagraph, "postsecondary studies" includes 4-year colleges and universities, community colleges, technical schools, apprenticeships, and military enlistment.

(b) Will provide an open enrollment such that if there are more applications to enroll than there are spaces available, pupils shall be selected to attend using a random selection process. However, a school or learning community may give enrollment priority to a sibling of a pupil enrolled in the school or learning community, and a school or learning community shall allow any pupil who was enrolled in the school or learning community in the immediately preceding school year to enroll in the school or learning community in the next appropriate grade until the pupil graduates from the school or learning community.

(c) Will have a maximum of 110 pupils in each high school grade level and an average of at least 75 pupils in each high school grade level.

(d) Will incorporate a relationship-building goal between the teaching staff, administration, pupils, and parents.

(e) Has a commitment of private matching funds at least equal to the amount of the grant under this section.

(5) If the department determines that a grant recipient has failed to achieve the outcomes described in subsection (4)(a), the grant recipient shall return to the state 50% of the total grant awarded. To accomplish the return of these funds, the department shall deduct an amount equal to 50% of the total grant awarded from the grant recipient's state school aid installment payments, on a schedule determined by the department. Funds returned under this subsection shall be deposited in the 21st century schools fund.

(6) In awarding grants under this section, the department shall give preference to grant applications for starting a new school or learning community that will implement strategies to prepare middle school students likely to attend the school or learning community or that will include grades 6 to 12 rather than proposals for stand-alone schools including only grades 9 to 12 and not implementing strategies to prepare middle school

students.

(7) The department shall not award more than 1/3 of the grants under this section to public school academies.

(8) The department shall establish and publicize the application process and a schedule for the application process.

(9) As used in this section, "eligible district" means all of the following:

(a) A district with a districtwide cohort graduation rate for high school pupils below 70%, as determined by the center for educational performance and information, for its most recent graduating class for which data are available.

(b) A public school academy if a majority of the pupils enrolled in the public school academy reside in a district that meets the criteria under subdivision (a).

History: Add. 2008, Act 268, Eff. Oct. 1, 2008.

Compiler's note: 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."