

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

***** 388.1612c.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2023 *****

388.1612c.added Allocation for consolidation of services identified in a feasibility study under MCL 388.1611x.

Sec. 12c. (1) From the school consolidation and infrastructure fund created under section 11x, there is allocated for 2023-2024 only an amount not to exceed \$245,000,000.00 for grants to districts and intermediate districts to support the initial costs related to the consolidation or the consolidation of services identified in the feasibility study or analysis conducted under section 11x.

(2) To be eligible for funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department. An intermediate district may apply for funding on behalf of a district if the intermediate district is providing the consolidated services. An application described in this subsection must include all of the following:

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

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

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

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

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

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

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

(b) Distribute funds under this section on a prorated or other equitable basis as determined by the department.

(4) Each intermediate district that receives funding under this section and also receives funding under section 11x(6) for 2022-2023 shall, in consultation with its constituent districts that receive funds under this section, submit a report to the department not later than June 30, 2025. The report must include all of the following information regarding the consolidation or consolidation of services supported by funding under this section, in the form and manner prescribed by the department:

(a) The amount previously spent on each consolidation or consolidation of service in the prior fiscal year.

(b) The number of students impacted by the consolidation or the consolidation of service.

(c) The vendors, third-party entities, or other educational entities used for consolidation or to consolidate the service or services.

(d) The impact on student learning attributable to money reallocated as a result of the consolidation or consolidated service or services.

(e) A total of cost savings produced as a result of the consolidation or the consolidation of services, in the form and manner prescribed by the department.

(5) As used in this section, "constituent district" means that term as defined in section 3 of the revised school code, MCL 380.3.

History: Add. 2023, Act 103, Eff. Oct. 1, 2023.