

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

\*\*\*\*\* 388.1625c.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2008 \*\*\*\*\*

**388.1625c.amended Applicability of section to educating district of first class; conditions; "educating district" defined.**

Sec. 25c. (1) This section applies to an educating district's enrollment of a pupil if the educating district is a school district of the first class and if all of the following apply:

(a) The pupil transfers from another district and enrolls in the educating district after the pupil membership count day.

(b) Due to the pupil's enrollment status as of the pupil membership count day, the pupil was counted in membership in the district from which he or she transfers.

(c) The pupil was a resident of the educating district on the pupil membership count day or met other eligibility criteria under section 6(4) or (6) to be counted in membership in the educating district if the pupil had been enrolled in the educating district on the pupil membership count day.

(d) The total number of pupils enrolled in the district who are described in subdivisions (a), (b), and (c) is at least equal to 25.

(2) If the conditions specified in subsection (1) are met, and a pupil transfers from another district and enrolls during a school year in the educating district, then not later than December 31 of the next fiscal year beginning after the school year the pupil transferred the educating district shall report the enrollment information to the department and to the district in which the pupil is counted in membership, and not later than October 31 of the second fiscal year beginning after the school year the pupil transferred the district in which the pupil is counted in membership shall pay to the educating district an amount equal to the amount of the foundation allowance or per pupil payment as calculated under section 20 for the district in which the pupil is counted in membership, prorated according to the number of days of the school year ending in the fiscal year the pupil is educated in the educating district compared to the number of days of the school year ending in the fiscal year the pupil was actually enrolled in the district in which the pupil is counted in membership. The foundation allowance or per pupil payment shall be adjusted by the pupil's full-time equated status as affected by the membership definition under section 6(4). If a district does not make the payment required under this section, the department shall calculate the amount owed, shall deduct that amount from the remaining state school aid payments to the district for that fiscal year under this act, and shall pay that amount to the educating district. The district in which the pupil is counted in membership and the educating district shall provide to the department all information the department requires to enforce this section.

(3) In determining the total amount a district owes to the educating district under this section, regardless of whether that district is otherwise eligible for payment from the educating district under this section, the district may calculate and subtract from the amount owed, using the calculation described in subsection (1), any amount applicable to pupils who transfer to that district from the educating district and meet the requirements of subsection (1)(a) to (c). If, after calculating and subtracting from the amount owed by a district to the educating district under this section any amount applicable to pupils who transfer to that district from the educating district and meet the requirements of subsection (1)(a) to (c), it is determined that the educating district owes funds to the district, the educating district shall pay those funds to the district in the same manner as provided under subsection (2).

(4) As used in this section, "educating district" means the district in which a pupil enrolls after the pupil membership count day as described in subsection (1).

**History:** Add. 2001, Act 121, Imd. Eff. Sept. 28, 2001;—Am. 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."