

SENATE BILL NO. 283

February 9, 1999, Introduced by Senator GAST and referred to the Committee on Appropriations.

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending section 11 (MCL 388.1611), as amended by 1998 PA
553.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 11. (1) ~~For the fiscal year ending September 30,~~
2 ~~1998, there is appropriated for the public schools of this state~~
3 ~~and certain other state purposes relating to education the sum of~~
4 ~~\$8,717,471,600.00 from the state school aid fund established by~~
5 ~~section 11 of article IX of the state constitution of 1963 and~~
6 ~~the sum of \$377,935,400.00 from the general fund.~~ For the fiscal
7 year ending September 30, 1999, there is appropriated for the
8 public schools of this state and certain other state purposes
9 relating to education the sum of ~~-\$9,000,761,900.00~~
10 \$_____.00 from the state school aid fund established by

1 section 11 of article IX of the state constitution of 1963 and
 2 the sum of ~~-\$420,613,500.00~~ \$_____.00 from the general
 3 fund. For the fiscal year ending September 30, 2000, there is
 4 appropriated for the public schools of this state and certain
 5 other state purposes relating to education the sum of
 6 ~~-\$9,366,408,600.00~~ \$_____.00 from the state school aid fund
 7 established by section 11 of article IX of the state constitution
 8 of 1963 and the sum of ~~-\$420,613,500.00~~ \$_____.00 from the
 9 general fund. In addition, available federal funds are appropri-
 10 ated for ~~1997-98, for~~ 1998-99 ~~—~~, and for 1999-2000.

11 (2) The appropriations under this section shall be allocated
 12 as provided in this act. Money appropriated under this section
 13 from the general fund and from available federal funds shall be
 14 expended to fund the purposes of this act before the expenditure
 15 of money appropriated under this section from the state school
 16 aid fund. If the maximum amount appropriated under this section
 17 from the state school aid fund for a fiscal year exceeds the
 18 amount necessary to fully fund allocations under this act from
 19 the state school aid fund, that excess amount shall not be
 20 expended in that state fiscal year and shall not lapse to the
 21 general fund, but instead shall remain in the state school aid
 22 fund.

23 (3) If the maximum amount appropriated under this section
 24 and sections 11f and 11g from the state school aid fund for a
 25 fiscal year exceeds the amount available for expenditure from the
 26 state school aid fund for that fiscal year, payments under
 27 sections 11f, 11g, and 51a(2) shall be made in full and payments

1 under each of the other sections of this act shall be prorated on
2 an equal percentage basis as necessary to reflect the amount
3 available for expenditure from the state school aid fund for that
4 fiscal year. However, if the department of treasury determines
5 that proration will be required under this subsection, the
6 department of treasury shall notify the director of the depart-
7 ment of management and budget, and the director of the department
8 of management and budget shall notify the legislature at least 30
9 calendar days or 6 legislative session days, whichever is more,
10 before the department reduces any payments under this act because
11 of the proration. During the 30 calendar day or 6 legislative
12 session day period after that notification by the director of the
13 department of management and budget, the department shall not
14 reduce any payments under this act because of proration under
15 this subsection. The legislature may prevent proration from
16 occurring by, within the 30 calendar day or 6 legislative session
17 day period after that notification by the department of manage-
18 ment and budget, enacting legislation appropriating additional
19 funds from the general fund, countercyclical budget and economic
20 stabilization fund, state school aid fund balance, or another
21 source to fund the amount of the projected shortfall.