

SENATE BILL No. 325

March 17, 2005, Introduced by Senators JELINEK, CASSIS, KUIPERS, HARDIMAN, BIRKHOLZ, McMANUS, ALLEN, VAN WOERKOM, GOSCHKA and BISHOP and referred to the Committee on Education.

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending section 6 (MCL 388.1606), as amended by 2004 PA 351.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) "Center program" means a program operated by a
2 district or intermediate district for special education pupils from
3 several districts in programs for the autistically impaired,
4 trainable mentally impaired, severely mentally impaired, severely
5 multiply impaired, hearing impaired, physically and otherwise
6 health impaired, and visually impaired. Programs for emotionally
7 impaired pupils housed in buildings that do not serve regular
8 education pupils also qualify. Unless otherwise approved by the
9 department, a center program either shall serve all constituent

1 districts within an intermediate district or shall serve several
2 districts with less than 50% of the pupils residing in the
3 operating district. In addition, special education center program
4 pupils placed part-time in noncenter programs to comply with the
5 least restrictive environment provisions of section 612 of part B
6 of the individuals with disabilities education act, 20 USC 1412,
7 may be considered center program pupils for pupil accounting
8 purposes for the time scheduled in either a center program or a
9 noncenter program.

10 (2) "District and high school graduation rate" means the
11 annual completion and pupil dropout rate that is calculated by the
12 center pursuant to nationally recognized standards.

13 (3) "District and high school graduation report" means a
14 report of the number of pupils, excluding migrant and adult, in the
15 district for the immediately preceding school year, adjusted for
16 those pupils who have transferred into or out of the district or
17 transferred to alternative programs, who leave high school with a
18 diploma or other credential of equal status.

19 (4) "Membership", except as otherwise provided in this act,
20 means for a district, public school academy, university school, or
21 intermediate district the sum of the product of .75 times the
22 number of full-time equated pupils in grades K to 12 actually
23 enrolled and in regular daily attendance on the pupil membership
24 count day for the current school year, plus the product of .25
25 times the final audited count from the supplemental count day for
26 the immediately preceding school year. All pupil counts used in
27 this subsection are as determined by the department and calculated

1 by adding the number of pupils registered for attendance plus
2 pupils received by transfer and minus pupils lost as defined by
3 rules promulgated by the superintendent, and as corrected by a
4 subsequent department audit. The amount of the foundation allowance
5 for a pupil in membership is determined under section 20. In making
6 the calculation of membership, all of the following, as applicable,
7 apply to determining the membership of a district, public school
8 academy, university school, or intermediate district:

9 (a) Except as otherwise provided in this subsection, and
10 pursuant to subsection (6), a pupil shall be counted in membership
11 in the pupil's educating district or districts. An individual pupil
12 shall not be counted for more than a total of 1.0 full-time equated
13 membership.

14 (b) If a pupil is educated in a district other than the
15 pupil's district of residence, if the pupil is not being educated
16 as part of a cooperative education program, if the pupil's district
17 of residence does not give the educating district its approval to
18 count the pupil in membership in the educating district, and if the
19 pupil is not covered by an exception specified in subsection (6) to
20 the requirement that the educating district must have the approval
21 of the pupil's district of residence to count the pupil in
22 membership, the pupil shall not be counted in membership in any
23 district.

24 (c) A special education pupil educated by the intermediate
25 district shall be counted in membership in the intermediate
26 district.

27 (d) A pupil placed by a court or state agency in an on-grounds

1 program of a juvenile detention facility, a child caring
2 institution, or a mental health institution, or a pupil funded
3 under section 53a, shall be counted in membership in the district
4 or intermediate district approved by the department to operate the
5 program.

6 (e) A pupil enrolled in the Michigan schools for the deaf and
7 blind shall be counted in membership in the pupil's intermediate
8 district of residence.

9 (f) A pupil enrolled in a vocational education program
10 supported by a millage levied over an area larger than a single
11 district or in an area vocational-technical education program
12 established pursuant to section 690 of the revised school code, MCL
13 380.690, shall be counted only in the pupil's district of
14 residence.

15 (g) A pupil enrolled in a university school shall be counted
16 in membership in the university school.

17 (h) A pupil enrolled in a public school academy shall be
18 counted in membership in the public school academy.

19 (i) For a new district, university school, or public school
20 academy beginning its operation after December 31, 1994, membership
21 for the first 2 full or partial fiscal years of operation shall be
22 determined as follows:

23 (i) If operations begin before the pupil membership count day
24 for the fiscal year, membership is the average number of full-time
25 equated pupils in grades K to 12 actually enrolled and in regular
26 daily attendance on the pupil membership count day for the current
27 school year and on the supplemental count day for the current

1 school year, as determined by the department and calculated by
2 adding the number of pupils registered for attendance on the pupil
3 membership count day plus pupils received by transfer and minus
4 pupils lost as defined by rules promulgated by the superintendent,
5 and as corrected by a subsequent department audit, plus the final
6 audited count from the supplemental count day for the current
7 school year, and dividing that sum by 2.

8 (ii) If operations begin after the pupil membership count day
9 for the fiscal year and not later than the supplemental count day
10 for the fiscal year, membership is the final audited count of the
11 number of full-time equated pupils in grades K to 12 actually
12 enrolled and in regular daily attendance on the supplemental count
13 day for the current school year.

14 (j) If a district is the authorizing body for a public school
15 academy, then, in the first school year in which pupils are counted
16 in membership on the pupil membership count day in the public
17 school academy, the determination of the district's membership
18 shall exclude from the district's pupil count for the immediately
19 preceding supplemental count day any pupils who are counted in the
20 public school academy on that first pupil membership count day who
21 were also counted in the district on the immediately preceding
22 supplemental count day.

23 (k) In a district, public school academy, university school,
24 or intermediate district operating an extended school year program
25 approved by the superintendent, a pupil enrolled, but not scheduled
26 to be in regular daily attendance on a pupil membership count day,
27 shall be counted.

1 (l) ~~Pupils~~ UNTIL 2005-2006, to be counted in membership A
2 PUPIL shall be ~~not less than~~ AT LEAST 5 years of age on December 1
3 and less than 20 years of age on September 1 of the school year.
4 ~~except~~ FOR 2005-2006, TO BE COUNTED IN MEMBERSHIP A PUPIL SHALL BE
5 AT LEAST 5 YEARS OF AGE ON NOVEMBER 1, 2005 AND LESS THAN 20 YEARS
6 OF AGE ON SEPTEMBER 1, 2005. FOR 2006-2007, TO BE COUNTED IN
7 MEMBERSHIP A PUPIL SHALL BE AT LEAST 5 YEARS OF AGE ON OCTOBER 1,
8 2006 AND LESS THAN 20 YEARS OF AGE ON SEPTEMBER 1, 2006. BEGINNING
9 WITH 2007-2008, TO BE COUNTED IN MEMBERSHIP A PUPIL SHALL BE AT
10 LEAST 5 YEARS OF AGE AND LESS THAN 20 YEARS OF AGE ON SEPTEMBER 1
11 OF THE SCHOOL YEAR. HOWEVER, a special education pupil who is
12 enrolled and receiving instruction in a special education program
13 or service approved by the department, ~~and not having~~ WHO DOES NOT
14 HAVE a high school diploma, AND who is less than 26 years of age as
15 of September 1 of the current school year shall be counted in
16 membership. IN ADDITION, A PUPIL ENROLLING IN KINDERGARTEN EARLY
17 UNDER A LOCAL POLICY ADOPTED UNDER SECTION 1147(4) OF THE REVISED
18 SCHOOL CODE, MCL 380.1147, SHALL BE COUNTED IN MEMBERSHIP.

19 (m) An individual who has obtained a high school diploma shall
20 not be counted in membership. An individual who has obtained a
21 general educational development (G.E.D.) certificate shall not be
22 counted in membership. An individual participating in a job
23 training program funded under former section 107a or a jobs program
24 funded under former section 107b, administered by the Michigan
25 strategic fund or the department of labor and economic growth, or
26 participating in any successor of either of those 2 programs, shall
27 not be counted in membership.

1 (n) If a pupil counted in membership in a public school
2 academy is also educated by a district or intermediate district as
3 part of a cooperative education program, the pupil shall be counted
4 in membership only in the public school academy unless a written
5 agreement signed by all parties designates the party or parties in
6 which the pupil shall be counted in membership, and the
7 instructional time scheduled for the pupil in the district or
8 intermediate district shall be included in the full-time equated
9 membership determination under subdivision (q). However, for pupils
10 receiving instruction in both a public school academy and in a
11 district or intermediate district but not as a part of a
12 cooperative education program, the following apply:

13 (i) If the public school academy provides instruction for at
14 least 1/2 of the class hours specified in subdivision (q), the
15 public school academy shall receive as its prorated share of the
16 full-time equated membership for each of those pupils an amount
17 equal to 1 times the product of the hours of instruction the public
18 school academy provides divided by the number of hours specified in
19 subdivision (q) for full-time equivalency, and the remainder of the
20 full-time membership for each of those pupils shall be allocated to
21 the district or intermediate district providing the remainder of
22 the hours of instruction.

23 (ii) If the public school academy provides instruction for less
24 than 1/2 of the class hours specified in subdivision (q), the
25 district or intermediate district providing the remainder of the
26 hours of instruction shall receive as its prorated share of the
27 full-time equated membership for each of those pupils an amount

1 equal to 1 times the product of the hours of instruction the
2 district or intermediate district provides divided by the number of
3 hours specified in subdivision (q) for full-time equivalency, and
4 the remainder of the full-time membership for each of those pupils
5 shall be allocated to the public school academy.

6 (o) An individual less than 16 years of age as of September 1
7 of the current school year who is being educated in an alternative
8 education program shall not be counted in membership if there are
9 also adult education participants being educated in the same
10 program or classroom.

11 (p) The department shall give a uniform interpretation of
12 full-time and part-time memberships.

13 (q) The number of class hours used to calculate full-time
14 equated memberships shall be consistent with section 101(3). In
15 determining full-time equated memberships for pupils who are
16 enrolled in a postsecondary institution, a pupil shall not be
17 considered to be less than a full-time equated pupil solely because
18 of the effect of his or her postsecondary enrollment, including
19 necessary travel time, on the number of class hours provided by the
20 district to the pupil.

21 (r) Full-time equated memberships for pupils in kindergarten
22 shall be determined by dividing the number of class hours scheduled
23 and provided per year per kindergarten pupil by a number equal to
24 $1/2$ the number used for determining full-time equated memberships
25 for pupils in grades 1 to 12.

26 (s) For a district, university school, or public school
27 academy that has pupils enrolled in a grade level that was not

1 offered by the district, university school, or public school
2 academy in the immediately preceding school year, the number of
3 pupils enrolled in that grade level to be counted in membership is
4 the average of the number of those pupils enrolled and in regular
5 daily attendance on the pupil membership count day and the
6 supplemental count day of the current school year, as determined by
7 the department. Membership shall be calculated by adding the number
8 of pupils registered for attendance in that grade level on the
9 pupil membership count day plus pupils received by transfer and
10 minus pupils lost as defined by rules promulgated by the
11 superintendent, and as corrected by subsequent department audit,
12 plus the final audited count from the supplemental count day for
13 the current school year, and dividing that sum by 2.

14 (t) A pupil enrolled in a cooperative education program may be
15 counted in membership in the pupil's district of residence with the
16 written approval of all parties to the cooperative agreement.

17 (u) If, as a result of a disciplinary action, a district
18 determines through the district's alternative or disciplinary
19 education program that the best instructional placement for a pupil
20 is in the pupil's home, if that placement is authorized in writing
21 by the district superintendent and district alternative or
22 disciplinary education supervisor, and if the district provides
23 appropriate instruction as described in this subdivision to the
24 pupil at the pupil's home, the district may count the pupil in
25 membership on a pro rata basis, with the proration based on the
26 number of hours of instruction the district actually provides to
27 the pupil divided by the number of hours specified in subdivision

1 (q) for full-time equivalency. For the purposes of this
2 subdivision, a district shall be considered to be providing
3 appropriate instruction if all of the following are met:

4 (i) The district provides at least 2 nonconsecutive hours of
5 instruction per week to the pupil at the pupil's home under the
6 supervision of a certificated teacher.

7 (ii) The district provides instructional materials, resources,
8 and supplies, except computers, that are comparable to those
9 otherwise provided in the district's alternative education program.

10 (iii) Course content is comparable to that in the district's
11 alternative education program.

12 (iv) Credit earned is awarded to the pupil and placed on the
13 pupil's transcript.

14 (v) A pupil enrolled in an alternative or disciplinary
15 education program described in section 25 shall be counted in
16 membership in the district or public school academy that expelled
17 the pupil.

18 (w) If a pupil was enrolled in a public school academy on the
19 pupil membership count day, if the public school academy's contract
20 with its authorizing body is revoked or the public school academy
21 otherwise ceases to operate, and if the pupil enrolls in a district
22 within 45 days after the pupil membership count day, the department
23 shall adjust the district's pupil count for the pupil membership
24 count day to include the pupil in the count.

25 (x) For a public school academy that has been in operation for
26 at least 2 years and that suspended operations for at least 1
27 semester and is resuming operations, membership is the sum of the

1 product of .75 times the number of full-time equated pupils in
2 grades K to 12 actually enrolled and in regular daily attendance on
3 the first pupil membership count day or supplemental count day,
4 whichever is first, occurring after operations resume, plus the
5 product of .25 times the final audited count from the most recent
6 pupil membership count day or supplemental count day that occurred
7 before suspending operations, as determined by the superintendent.

8 (y) If a district's membership for a particular fiscal year,
9 as otherwise calculated under this subsection, would be less than
10 1,550 pupils and the district has 4.5 or fewer pupils per square
11 mile, as determined by the department, and if the district does not
12 receive funding under section 22d, the district's membership shall
13 be considered to be the membership figure calculated under this
14 subdivision. If a district educates and counts in its membership
15 pupils in grades 9 to 12 who reside in a contiguous district that
16 does not operate grades 9 to 12 and if 1 or both of the affected
17 districts request the department to use the determination allowed
18 under this sentence, the department shall include the square
19 mileage of both districts in determining the number of pupils per
20 square mile for each of the districts for the purposes of this
21 subdivision. The membership figure calculated under this
22 subdivision is the greater of the following:

23 (i) The average of the district's membership for the 3-fiscal-
24 year period ending with that fiscal year, calculated by adding the
25 district's actual membership for each of those 3 fiscal years, as
26 otherwise calculated under this subsection, and dividing the sum of
27 those 3 membership figures by 3.

1 (ii) The district's actual membership for that fiscal year as
2 otherwise calculated under this subsection.

3 (z) If a public school academy that is not in its first or
4 second year of operation closes at the end of a school year and
5 does not reopen for the next school year, the department shall
6 adjust the membership count of the district in which a former pupil
7 of the public school academy enrolls and is in regular daily
8 attendance for the next school year to ensure that the district
9 receives the same amount of membership aid for the pupil as if the
10 pupil were counted in the district on the supplemental count day of
11 the preceding school year.

12 (5) "Public school academy" means a public school academy,
13 urban high school academy, or strict discipline academy operating
14 under the revised school code.

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

20 (a) A nonpublic part-time pupil enrolled in grades 1 to 12 in
21 accordance with section 166b.

22 (b) A pupil receiving 1/2 or less of his or her instruction in
23 a district other than the pupil's district of residence.

24 (c) A pupil enrolled in a public school academy or university
25 school.

26 (d) A pupil enrolled in a district other than the pupil's
27 district of residence under an intermediate district schools of

1 choice pilot program as described in section 91a or former section
2 91 if the intermediate district and its constituent districts have
3 been exempted from section 105.

4 (e) A pupil enrolled in a district other than the pupil's
5 district of residence if the pupil is enrolled in accordance with
6 section 105 or 105c.

7 (f) A pupil who has made an official written complaint or
8 whose parent or legal guardian has made an official written
9 complaint to law enforcement officials and to school officials of
10 the pupil's district of residence that the pupil has been the
11 victim of a criminal sexual assault or other serious assault, if
12 the official complaint either indicates that the assault occurred
13 at school or that the assault was committed by 1 or more other
14 pupils enrolled in the school the pupil would otherwise attend in
15 the district of residence or by an employee of the district of
16 residence. A person who intentionally makes a false report of a
17 crime to law enforcement officials for the purposes of this
18 subdivision is subject to section 411a of the Michigan penal code,
19 1931 PA 328, MCL 750.411a, which provides criminal penalties for
20 that conduct. As used in this subdivision:

21 (i) "At school" means in a classroom, elsewhere on school
22 premises, on a school bus or other school-related vehicle, or at a
23 school-sponsored activity or event whether or not it is held on
24 school premises.

25 (ii) "Serious assault" means an act that constitutes a felony
26 violation of chapter XI of the Michigan penal code, 1931 PA 328,
27 MCL 750.81 to 750.90g, or that constitutes an assault and

1 infliction of serious or aggravated injury under section 81a of the
2 Michigan penal code, 1931 PA 328, MCL 750.81a.

3 (g) A pupil whose district of residence changed after the
4 pupil membership count day and before the supplemental count day
5 and who continues to be enrolled on the supplemental count day as a
6 nonresident in the district in which he or she was enrolled as a
7 resident on the pupil membership count day of the same school year.

8 (h) A pupil enrolled in an alternative education program
9 operated by a district other than his or her district of residence
10 who meets 1 or more of the following:

11 (i) The pupil has been suspended or expelled from his or her
12 district of residence for any reason, including, but not limited
13 to, a suspension or expulsion under section 1310, 1311, or 1311a of
14 the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

15 (ii) The pupil had previously dropped out of school.

16 (iii) The pupil is pregnant or is a parent.

17 (iv) The pupil has been referred to the program by a court.

18 (i) A pupil enrolled in the Michigan virtual high school, for
19 the pupil's enrollment in the Michigan virtual high school.

20 (j) A pupil who is the child of a person who is employed by
21 the district. As used in this subdivision, "child" includes an
22 adopted child or legal ward.

23 However, if a district that is not a first class district
24 educates pupils who reside in a first class district and if the
25 primary instructional site for those pupils is located within the
26 boundaries of the first class district, the educating district must
27 have the approval of the first class district to count those pupils

1 in membership. As used in this subsection, "first class district"
2 means a district organized as a school district of the first class
3 under the revised school code.

4 (7) "Pupil membership count day" of a district or intermediate
5 district means:

6 (a) Except as provided in subdivision (b), the fourth
7 Wednesday in September each school year.

8 (b) For a district or intermediate district maintaining school
9 during the entire school year, the following days:

10 (i) Fourth Wednesday in July.

11 (ii) Fourth Wednesday in September.

12 (iii) Second Wednesday in February.

13 (iv) Fourth Wednesday in April.

14 (8) "Pupils in grades K to 12 actually enrolled and in regular
15 daily attendance" means pupils in grades K to 12 in attendance and
16 receiving instruction in all classes for which they are enrolled on
17 the pupil membership count day or the supplemental count day, as
18 applicable. A pupil who is absent from any of the classes in which
19 the pupil is enrolled on the pupil membership count day or
20 supplemental count day and who does not attend each of those
21 classes during the 10 consecutive school days immediately following
22 the pupil membership count day or supplemental count day, except
23 for a pupil who has been excused by the district, shall not be
24 counted as 1.0 full-time equated membership. In addition, a pupil
25 who is excused from attendance on the pupil membership count day or
26 supplemental count day and who fails to attend each of the classes
27 in which the pupil is enrolled within 30 calendar days after the

1 pupil membership count day or supplemental count day shall not be
2 counted as 1.0 full-time equated membership. Pupils not counted as
3 1.0 full-time equated membership due to an absence from a class
4 shall be counted as a prorated membership for the classes the pupil
5 attended. For purposes of this subsection, "class" means a period
6 of time in 1 day when pupils and a certificated teacher or legally
7 qualified substitute teacher are together and instruction is taking
8 place.

9 (9) "Rule" means a rule promulgated pursuant to the
10 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
11 24.328.

12 (10) "The revised school code" means 1976 PA 451, MCL 380.1 to
13 380.1852.

14 (11) "School fiscal year" means a fiscal year that commences
15 July 1 and continues through June 30.

16 (12) "State board" means the state board of education.

17 (13) "Superintendent", unless the context clearly refers to a
18 district or intermediate district superintendent, means the
19 superintendent of public instruction described in section 3 of
20 article VIII of the state constitution of 1963.

21 (14) "Supplemental count day" means the day on which the
22 supplemental pupil count is conducted under section 6a.

23 (15) "Tuition pupil" means a pupil of school age attending
24 school in a district other than the pupil's district of residence
25 for whom tuition may be charged. Tuition pupil does not include a
26 pupil who is a special education pupil or a pupil described in
27 subsection (6)(d) to (j). A pupil's district of residence shall not

1 require a high school tuition pupil, as provided under section 111,
2 to attend another school district after the pupil has been assigned
3 to a school district.

4 (16) "State school aid fund" means the state school aid fund
5 established in section 11 of article IX of the state constitution
6 of 1963.

7 (17) "Taxable value" means the taxable value of property as
8 determined under section 27a of the general property tax act, 1893
9 PA 206, MCL 211.27a.

10 (18) "Textbook" means a book that is selected and approved by
11 the governing board of a district and that contains a presentation
12 of principles of a subject, or that is a literary work relevant to
13 the study of a subject required for the use of classroom pupils, or
14 another type of course material that forms the basis of classroom
15 instruction.

16 (19) "Total state aid" or "total state school aid" means the
17 total combined amount of all funds due to a district, intermediate
18 district, or other entity under all of the provisions of this act.

19 (20) "University school" means an instructional program
20 operated by a public university under section 23 that meets the
21 requirements of section 23.

22 Enacting section 1. This amendatory act does not take effect
23 unless Senate Bill No. 324

24 of the 93rd Legislature is enacted into law.