

**SUBSTITUTE FOR  
HOUSE BILL NO. 4407**

A bill to amend 1979 PA 94, entitled  
"The state school aid act of 1979,"  
by amending sections 4, 6, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20,  
20d, 20f, 21f, 22a, 22b, 22d, 22m, 22p, 23b, 23e, 24, 24a, 25f,  
25g, 25i, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31m, 31n, 32d, 32p,  
35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 55,  
56, 61a, 61b, 61d, 62, 65, 67a, 74, 81, 94, 94a, 95b, 98, 99h, 99s,  
101, 104, 104c, 105, 105c, 107, 147, 147a, 147c, 147e, 152a, and  
152b (MCL 388.1604, 388.1606, 388.1611, 388.1611a, 388.1611j,  
388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618, 388.1620,  
388.1620d, 388.1620f, 388.1621f, 388.1622a, 388.1622b, 388.1622d,  
388.1622m, 388.1622p, 388.1623b, 388.1623e, 388.1624, 388.1624a,  
388.1625f, 388.1625g, 388.1625i, 388.1626a, 388.1626b, 388.1626c,

388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631m, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651f, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661d, 388.1662, 388.1665, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1698, 388.1699h, 388.1699s, 388.1701, 388.1704, 388.1704c, 388.1705, 388.1705c, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, and 388.1752b), sections 4 and 104c as amended by 2019 PA 58, sections 6, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 32d, 32p, 35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61d, 62, 65, 74, 81, 94, 94a, 95b, 98, 99h, 99s, 101, 104, 105, 105c, 107, 147, 147a, 147c, 147e, and 152a as amended by 2020 PA 165, sections 11, 21f, and 31n as amended by 2021 PA 3, sections 23b and 23e as added by 2021 PA 3, sections 25i and 67a as added by 2020 PA 165, section 31m as added by 2018 PA 265, and section 152b as amended by 2018 PA 265, and by adding sections 22e, 26d, 31b, 35g, 94c, 97, 99aa, 104h, and 147d; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 4. (1) "Elementary pupil" means a pupil in membership in  
2 grades K to 8 in a district not maintaining classes above ~~the~~  
3 ~~eighth-grade~~ **8** or in grades K to 6 in a district maintaining  
4 classes above ~~the eighth-grade~~ **8** or a child enrolled and in regular  
5 attendance in a publicly funded prekindergarten setting.

6           (2) "Extended school year" means an educational program  
7 conducted by a district in which pupils must be enrolled but not  
8 necessarily in attendance on the pupil membership count day in an

1 extended year program. The mandatory clock hours must be completed  
 2 by each pupil not more than 365 calendar days after the pupil's  
 3 first day of classes for the school year prescribed. The department  
 4 shall prescribe pupil, personnel, and other reporting requirements  
 5 for the educational program.

6 (3) "Fiscal year" means the state fiscal year that commences  
 7 October 1 and continues through September 30.

8 (4) "High school equivalency certificate" means a certificate  
 9 granted for the successful completion of a high school equivalency  
 10 test.

11 (5) "High school equivalency test" means the G.E.D. test  
 12 developed by the GED Testing Service, ~~the Test Assessing Secondary~~  
 13 ~~Completion (TASC) developed by CTS/McGraw-Hill,~~ the HISET test  
 14 developed by Educational Testing Service (ETS), or another  
 15 comparable test approved by the department of labor and economic  
 16 opportunity.

17 (6) "High school equivalency test preparation program" means a  
 18 program that has high school level courses in English language  
 19 arts, social studies, science, and mathematics and that prepares an  
 20 individual to successfully complete a high school equivalency test.

21 (7) "High school pupil" means a pupil in membership in grades  
 22 7 to 12, except in a district not maintaining grades above ~~the~~  
 23 ~~eighth~~ grade 8.

24 Sec. 6. (1) "Center program" means a program operated by a  
 25 district or by an intermediate district for special education  
 26 pupils from several districts in programs for pupils with autism  
 27 spectrum disorder, pupils with severe cognitive impairment, pupils  
 28 with moderate cognitive impairment, pupils with severe multiple  
 29 impairments, pupils with hearing impairment, pupils with visual

1 impairment, and pupils with physical impairment or other health  
2 impairment. Programs for pupils with emotional impairment housed in  
3 buildings that do not serve regular education pupils also qualify.  
4 Unless otherwise approved by the department, a center program  
5 either serves all constituent districts within an intermediate  
6 district or serves several districts with less than 50% of the  
7 pupils residing in the operating district. In addition, special  
8 education center program pupils placed part-time in noncenter  
9 programs to comply with the least restrictive environment  
10 provisions of section 1412 of the individuals with disabilities  
11 education act, 20 USC 1412, may be considered center program pupils  
12 for pupil accounting purposes for the time scheduled in either a  
13 center program or a noncenter program.

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

17 (3) "District and high school graduation report" means a  
18 report of the number of pupils, excluding adult education  
19 participants, in the district for the immediately preceding school  
20 year, adjusted for those pupils who have transferred into or out of  
21 the district or high school, who leave high school with a diploma  
22 or other credential of equal status.

23 (4) "Membership", except as otherwise provided in this  
24 subsection or this article, means for a district, a public school  
25 academy, or an intermediate district the sum of the product of .90  
26 times the number of full-time equated pupils in grades K to 12  
27 actually enrolled and in regular daily attendance in the district,  
28 public school academy, or intermediate district on the pupil  
29 membership count day for the current school year, plus the product

1 of .10 times the final audited count from the supplemental count  
 2 day of full-time equated pupils in grades K to 12 actually enrolled  
 3 and in regular daily attendance in the district, public school  
 4 academy, or intermediate district for the immediately preceding  
 5 school year. A district's, public school academy's, or intermediate  
 6 district's membership is adjusted as provided under section 25e for  
 7 pupils who enroll after the pupil membership count day in a strict  
 8 discipline academy operating under sections 1311b to 1311m of the  
 9 revised school code, MCL 380.1311b to 380.1311m. For ~~2020-2021~~  
 10 **2021-2022** only, membership means for a district, a public school  
 11 academy, or an intermediate district, the sum of the product of ~~.75~~  
 12 **.90** times the ~~district's, public school academy's, or intermediate~~  
 13 ~~district's 2019-2020 membership as calculated under this section in~~  
 14 **2019-2020 number of full-time equated pupils in grades K to 12**  
 15 **actually enrolled and in regular daily attendance in the district,**  
 16 **public school academy, or intermediate district on the pupil**  
 17 **membership count day for the current school year** and the product of  
 18 ~~.25~~ **.10** times [~~the sum of (the product of .90 times the number of~~  
 19 ~~full-time equated pupils engaged in pandemic learning for fall 2020~~  
 20 ~~or, for a public school academy that operates as a cyber school, as~~  
 21 ~~that term is defined in section 551 of the revised school code, MCL~~  
 22 ~~380.551, the number of full time equated pupils in grades K to 12~~  
 23 ~~actually enrolled and in regular daily attendance in the public~~  
 24 ~~school academy on pupil membership count day for the current school~~  
 25 ~~year) and (the product of .10 times the final audited count from~~  
 26 ~~the supplemental count day of full-time equated pupils in grades K~~  
 27 ~~to 12 actually enrolled and in regular daily attendance in the~~  
 28 ~~district, public school academy, or intermediate district for the~~  
 29 ~~immediately preceding school year)] **the final audited count of the**~~

1 number of full-time equated pupils engaged in pandemic learning for  
2 spring 2021, or, for a public school academy that operates as a  
3 cyber school, as that term is defined in section 551 of the revised  
4 school code, MCL 380.551, the final audited count from the  
5 supplemental count day of full-time equated pupils in grades K to  
6 12 actually enrolled and in regular daily attendance in the public  
7 school academy for the immediately preceding school year. All pupil  
8 counts used in this subsection are as determined by the department  
9 and calculated by adding the number of pupils registered for  
10 attendance plus pupils received by transfer and minus pupils lost  
11 as defined by rules promulgated by the superintendent, and as  
12 corrected by a subsequent department audit. The amount of the  
13 foundation allowance for a pupil in membership is determined under  
14 section 20. In making the calculation of membership, all of the  
15 following, as applicable, apply to determining the membership of a  
16 district, a public school academy, or an intermediate district:

17 (a) Except as otherwise provided in this subsection, and  
18 pursuant to subsection (6), a pupil is counted in membership in the  
19 pupil's educating district or districts. An individual pupil must  
20 not be counted for more than a total of 1.0 full-time equated  
21 membership.

22 (b) If a pupil is educated in a district other than the  
23 pupil's district of residence, if the pupil is not being educated  
24 as part of a cooperative education program, if the pupil's district  
25 of residence does not give the educating district its approval to  
26 count the pupil in membership in the educating district, and if the  
27 pupil is not covered by an exception specified in subsection (6) to  
28 the requirement that the educating district must have the approval  
29 of the pupil's district of residence to count the pupil in

1 membership, the pupil is not counted in membership in any district.

2 (c) A special education pupil educated by the intermediate  
3 district is counted in membership in the intermediate district.

4 (d) A pupil placed by a court or state agency in an on-grounds  
5 program of a juvenile detention facility, a child caring  
6 institution, or a mental health institution, or a pupil funded  
7 under section 53a, is counted in membership in the district or  
8 intermediate district approved by the department to operate the  
9 program.

10 (e) A pupil enrolled in the Michigan Schools for the Deaf and  
11 Blind is counted in membership in the pupil's intermediate district  
12 of residence.

13 (f) A pupil enrolled in a career and technical education  
14 program supported by a millage levied over an area larger than a  
15 single district or in an area vocational-technical education  
16 program established under section 690 of the revised school code,  
17 MCL 380.690, is counted in membership only in the pupil's district  
18 of residence.

19 (g) A pupil enrolled in a public school academy is counted in  
20 membership in the public school academy.

21 (h) For the purposes of this section and section 6a, for a  
22 cyber school, as that term is defined in section 551 of the revised  
23 school code, MCL 380.551, that is in compliance with section 553a  
24 of the revised school code, MCL 380.553a, a pupil's participation  
25 in the cyber school's educational program is considered regular  
26 daily attendance, and for a district or public school academy, a  
27 pupil's participation in a virtual course as that term is defined  
28 in section 21f is considered regular daily attendance. For the  
29 purposes of this subdivision, for a pupil enrolled in a cyber

1 school and utilizing sequential learning, participation means that  
2 term as defined in the pupil accounting manual, section ~~5-e-d:5-O-~~  
3 **D**: requirements for counting pupils in membership-subsection 10.

4 (i) For a new district or public school academy beginning its  
5 operation after December 31, 1994, membership for the first 2 full  
6 or partial fiscal years of operation is determined as follows:

7 (i) ~~Except as otherwise provided in this subparagraph, if~~ **If**  
8 operations begin before the pupil membership count day for the  
9 fiscal year, membership is the average number of full-time equated  
10 pupils in grades K to 12 actually enrolled and in regular daily  
11 attendance on the pupil membership count day for the current school  
12 year and on the supplemental count day for the current school year,  
13 as determined by the department and calculated by adding the number  
14 of pupils registered for attendance on the pupil membership count  
15 day plus pupils received by transfer and minus pupils lost as  
16 defined by rules promulgated by the superintendent, and as  
17 corrected by a subsequent department audit, plus the final audited  
18 count from the supplemental count day for the current school year,  
19 and dividing that sum by 2. ~~However, for 2020-2021 only, if~~  
20 ~~operations begin before the pupil membership count day for the~~  
21 ~~fiscal year, except for a public school academy that operates as a~~  
22 ~~cyber school, as that term is defined in section 551 of the revised~~  
23 ~~school code, MCL 380.551, membership is the average number of full-~~  
24 ~~time equated pupils engaged in pandemic learning for fall 2020 and~~  
25 ~~full-time equated pupils engaged in pandemic learning for spring~~  
26 ~~2021, as that term is defined in section 6a, as determined by the~~  
27 ~~department and calculated by adding the number of pupils registered~~  
28 ~~for attendance on the pupil membership count day plus pupils~~  
29 ~~received by transfer and minus pupils lost as defined by rules~~

1 ~~promulgated by the superintendent, and as corrected by a subsequent~~  
2 ~~department audit, plus the final audited count from the~~  
3 ~~supplemental count day for the current school year, and dividing~~  
4 ~~that sum by 2.~~

5 (ii) If operations begin after the pupil membership count day  
6 for the fiscal year and not later than the supplemental count day  
7 for the fiscal year, membership is the final audited count of the  
8 number of full-time equated pupils in grades K to 12 actually  
9 enrolled and in regular daily attendance on the supplemental count  
10 day for the current school year. ~~, but, for 2020-2021 only, except~~  
11 ~~for a public school academy that operates as a cyber school, as~~  
12 ~~that term is defined in section 551 of the revised school code, MCL~~  
13 ~~380.551, membership is the final audited count of the number of~~  
14 ~~full-time equated pupils engaged in pandemic learning for spring~~  
15 ~~2021, as that term is defined in section 6a.~~

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

25 (k) For an extended school year program approved by the  
26 superintendent, a pupil enrolled, but not scheduled to be in  
27 regular daily attendance, on a pupil membership count day, is  
28 counted in membership.

29 (l) To be counted in membership, a pupil must meet the minimum

1 age requirement to be eligible to attend school under section 1147  
2 of the revised school code, MCL 380.1147, or must be enrolled under  
3 subsection (3) of that section, and must be less than 20 years of  
4 age on September 1 of the school year except as follows:

5 (i) A special education pupil who is enrolled and receiving  
6 instruction in a special education program or service approved by  
7 the department, who does not have a high school diploma, and who is  
8 less than 26 years of age as of September 1 of the current school  
9 year is counted in membership.

10 (ii) A pupil who is determined by the department to meet all of  
11 the following may be counted in membership:

12 (A) Is enrolled in a public school academy or an alternative  
13 education high school diploma program, that is primarily focused on  
14 educating pupils with extreme barriers to education, such as being  
15 homeless as **that term is** defined under 42 USC 11302.

16 (B) Had dropped out of school.

17 (C) Is less than 22 years of age as of September 1 of the  
18 current school year.

19 (iii) If a child does not meet the minimum age requirement to be  
20 eligible to attend school for that school year under section 1147  
21 of the revised school code, MCL 380.1147, but will be 5 years of  
22 age not later than December 1 of that school year, the district may  
23 count the child in membership for that school year if the parent or  
24 legal guardian has notified the district in writing that he or she  
25 intends to enroll the child in kindergarten for that school year.

26 (m) An individual who has achieved a high school diploma is  
27 not counted in membership. An individual who has achieved a high  
28 school equivalency certificate is not counted in membership unless  
29 the individual is a student with a disability as that term is

1 defined in R 340.1702 of the Michigan Administrative Code. An  
2 individual participating in a job training program funded under  
3 former section 107a or a jobs program funded under former section  
4 107b, administered by the department of labor and economic  
5 opportunity, or participating in any successor of either of those 2  
6 programs, is not counted in membership.

7 (n) If a pupil counted in membership in a public school  
8 academy is also educated by a district or intermediate district as  
9 part of a cooperative education program, the pupil is counted in  
10 membership only in the public school academy unless a written  
11 agreement signed by all parties designates the party or parties in  
12 which the pupil is counted in membership, and the instructional  
13 time scheduled for the pupil in the district or intermediate  
14 district is included in the full-time equated membership  
15 determination under subdivision (q) and section 101. However, for  
16 pupils receiving instruction in both a public school academy and in  
17 a district or intermediate district but not as a part of a  
18 cooperative education program, the following apply:

19 (i) If the public school academy provides instruction for at  
20 least 1/2 of the class hours required under section 101, the public  
21 school academy receives as its prorated share of the full-time  
22 equated membership for each of those pupils an amount equal to 1  
23 times the product of the hours of instruction the public school  
24 academy provides divided by the number of hours required under  
25 section 101 for full-time equivalency, and the remainder of the  
26 full-time membership for each of those pupils is allocated to the  
27 district or intermediate district providing the remainder of the  
28 hours of instruction.

29 (ii) If the public school academy provides instruction for less

1 than 1/2 of the class hours required under section 101, the  
2 district or intermediate district providing the remainder of the  
3 hours of instruction receives as its prorated share of the full-  
4 time equated membership for each of those pupils an amount equal to  
5 1 times the product of the hours of instruction the district or  
6 intermediate district provides divided by the number of hours  
7 required under section 101 for full-time equivalency, and the  
8 remainder of the full-time membership for each of those pupils is  
9 allocated to the public school academy.

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

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

17 (q) The number of class hours used to calculate full-time  
18 equated memberships must be consistent with section 101. In  
19 determining full-time equated memberships for pupils who are  
20 enrolled in a postsecondary institution or for pupils engaged in an  
21 internship or work experience under section 1279h of the revised  
22 school code, MCL 380.1279h, a pupil is not considered to be less  
23 than a full-time equated pupil solely because of the effect of his  
24 or her postsecondary enrollment or engagement in the internship or  
25 work experience, including necessary travel time, on the number of  
26 class hours provided by the district to the pupil.

27 (r) Full-time equated memberships for pupils in kindergarten  
28 are determined by dividing the number of instructional hours  
29 scheduled and provided per year per kindergarten pupil by the same

1 number used for determining full-time equated memberships for  
 2 pupils in grades 1 to 12. However, to the extent allowable under  
 3 federal law, for a district or public school academy that provides  
 4 evidence satisfactory to the department that it used federal title  
 5 I money in the 2 immediately preceding school fiscal years to fund  
 6 full-time kindergarten, full-time equated memberships for pupils in  
 7 kindergarten are determined by dividing the number of class hours  
 8 scheduled and provided per year per kindergarten pupil by a number  
 9 equal to 1/2 the number used for determining full-time equated  
 10 memberships for pupils in grades 1 to 12. The change in the  
 11 counting of full-time equated memberships for pupils in  
 12 kindergarten that took effect for 2012-2013 is not a mandate.

13 (s) For a district or a public school academy that has pupils  
 14 enrolled in a grade level that was not offered by the district or  
 15 public school academy in the immediately preceding school year, the  
 16 number of pupils enrolled in that grade level to be counted in  
 17 membership is the average of the number of those pupils enrolled  
 18 and in regular daily attendance on the pupil membership count day  
 19 and the supplemental count day of the current school year.  ~~, but,~~  
 20  ~~for 2020-2021 only, except for a public school academy that~~  
 21  ~~operates as a cyber school, as that term is defined in section 551~~  
 22  ~~of the revised school code, MCL 380.551, the number of pupils~~  
 23  ~~enrolled in that grade level to be counted in membership is the~~  
 24  ~~average of the number of those pupils engaged in pandemic learning~~  
 25  ~~for fall 2020 and the number of those pupils engaged in pandemic~~  
 26  ~~learning for spring 2021, as that term is defined in section 6a, as~~  
 27  ~~determined by the department.~~ Membership is calculated by adding  
 28 the number of pupils registered for attendance in that grade level  
 29 on the pupil membership count day plus pupils received by transfer

1 and minus pupils lost as defined by rules promulgated by the  
2 superintendent, and as corrected by subsequent department audit,  
3 plus the final audited count from the supplemental count day for  
4 the current school year, and dividing that sum by 2.

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

8 (u) If, as a result of a disciplinary action, a district  
9 determines through the district's alternative or disciplinary  
10 education program that the best instructional placement for a pupil  
11 is in the pupil's home or otherwise apart from the general school  
12 population, if that placement is authorized in writing by the  
13 district superintendent and district alternative or disciplinary  
14 education supervisor, and if the district provides appropriate  
15 instruction as described in this subdivision to the pupil at the  
16 pupil's home or otherwise apart from the general school population,  
17 the district may count the pupil in membership on a pro rata basis,  
18 with the proration based on the number of hours of instruction the  
19 district actually provides to the pupil divided by the number of  
20 hours required under section 101 for full-time equivalency. For the  
21 purposes of this subdivision, a district is considered to be  
22 providing appropriate instruction if all of the following are met:

23 (i) The district provides at least 2 nonconsecutive hours of  
24 instruction per week to the pupil at the pupil's home or otherwise  
25 apart from the general school population under the supervision of a  
26 certificated teacher.

27 (ii) The district provides instructional materials, resources,  
28 and supplies that are comparable to those otherwise provided in the  
29 district's alternative education program.

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

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

5 (v) If a pupil was enrolled in a public school academy on the  
6 pupil membership count day, if the public school academy's contract  
7 with its authorizing body is revoked or the public school academy  
8 otherwise ceases to operate, and if the pupil enrolls in a district  
9 within 45 days after the pupil membership count day, the department  
10 shall adjust the district's pupil count for the pupil membership  
11 count day to include the pupil in the count.

12 (w) For a public school academy that has been in operation for  
13 at least 2 years and that suspended operations for at least 1  
14 semester and is resuming operations, membership is the sum of the  
15 product of .90 times the number of full-time equated pupils in  
16 grades K to 12 actually enrolled and in regular daily attendance on  
17 the first pupil membership count day or supplemental count day,  
18 whichever is first, occurring after operations resume, plus the  
19 product of .10 times the final audited count from the most recent  
20 pupil membership count day or supplemental count day that occurred  
21 before suspending operations, as determined by the superintendent.  
22 ~~, but, for 2020-2021 only, except for a public school academy that~~  
23 ~~operates as a cyber school, as that term is defined in section 551~~  
24 ~~of the revised school code, MCL 380.551, membership is the sum of~~  
25 ~~the product of .90 times the number of full-time equated pupils~~  
26 ~~engaged in pandemic learning for fall 2020 or the number of full-~~  
27 ~~time equated pupils engaged in pandemic learning for spring 2021,~~  
28 ~~as that term is defined in section 6a, whichever applies first~~  
29 ~~after operations resume, plus the product of .10 times the final~~

1 ~~audited count from the most recent pupil membership count day or~~  
 2 ~~supplemental count day that occurred before suspending operations,~~  
 3 ~~as determined by the superintendent.~~

4 (x) If a district's membership for a particular fiscal year,  
 5 as otherwise calculated under this subsection, would be less than  
 6 1,550 pupils, the district has 4.5 or fewer pupils per square mile,  
 7 as determined by the department, and the district does not receive  
 8 funding under section 22d(2), the district's membership is  
 9 considered to be the membership figure calculated under this  
 10 subdivision. If a district educates and counts in its membership  
 11 pupils in grades 9 to 12 who reside in a contiguous district that  
 12 does not operate grades 9 to 12 and if 1 or both of the affected  
 13 districts request the department to use the determination allowed  
 14 under this sentence, the department shall include the square  
 15 mileage of both districts in determining the number of pupils per  
 16 square mile for each of the districts for the purposes of this  
 17 subdivision. ~~If a district has established a community engagement~~  
 18 ~~advisory committee in partnership with the department of treasury,~~  
 19 ~~is required to submit a deficit elimination plan or an enhanced~~  
 20 ~~deficit elimination plan under section 1220 of the revised school~~  
 21 ~~code, MCL 380.1220, and is located in a city with a population~~  
 22 ~~between 9,000 and 11,000 that is in a county with a population~~  
 23 ~~between 155,000 and 160,000, the district's membership is~~  
 24 ~~considered to be the membership figure calculated under this~~  
 25 ~~subdivision.~~ The membership figure calculated under this  
 26 subdivision is the greater of the following:

27 (i) The average of the district's membership for the 3-fiscal-  
 28 year period ending with that fiscal year, calculated by adding the  
 29 district's actual membership for each of those 3 fiscal years, as

1 otherwise calculated under this subsection, and dividing the sum of  
2 those 3 membership figures by 3.

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

5 (y) Full-time equated memberships for special education pupils  
6 who are not enrolled in kindergarten but are enrolled in a  
7 classroom program under R 340.1754 of the Michigan Administrative  
8 Code are determined by dividing the number of class hours scheduled  
9 and provided per year by 450. Full-time equated memberships for  
10 special education pupils who are not enrolled in kindergarten but  
11 are receiving early childhood special education services under R  
12 340.1755 or R 340.1862 of the Michigan Administrative Code are  
13 determined by dividing the number of hours of service scheduled and  
14 provided per year per-pupil by 180.

15 (z) A pupil of a district that begins its school year after  
16 Labor Day who is enrolled in an intermediate district program that  
17 begins before Labor Day is not considered to be less than a full-  
18 time pupil solely due to instructional time scheduled but not  
19 attended by the pupil before Labor Day.

20 (aa) For the first year in which a pupil is counted in  
21 membership on the pupil membership count day in a middle college  
22 program, the membership is the average of the full-time equated  
23 membership on the pupil membership count day and on the  
24 supplemental count day for the current school year, as determined  
25 by the department. If a pupil described in this subdivision was  
26 counted in membership by the operating district on the immediately  
27 preceding supplemental count day, the pupil is excluded from the  
28 district's immediately preceding supplemental count for the  
29 purposes of determining the district's membership.

1 (bb) A district or public school academy that educates a pupil  
2 who attends a United States Olympic Education Center may count the  
3 pupil in membership regardless of whether or not the pupil is a  
4 resident of this state.

5 (cc) A pupil enrolled in a district other than the pupil's  
6 district of residence under section 1148(2) of the revised school  
7 code, MCL 380.1148, is counted in the educating district.

8 (dd) For a pupil enrolled in a dropout recovery program that  
9 meets the requirements of section 23a, the pupil is counted as 1/12  
10 of a full-time equated membership for each month that the district  
11 operating the program reports that the pupil was enrolled in the  
12 program and was in full attendance. However, if the special  
13 membership counting provisions under this subdivision and the  
14 operation of the other membership counting provisions under this  
15 subsection result in a pupil being counted as more than 1.0 FTE in  
16 a fiscal year, the payment made for the pupil under sections 22a  
17 and 22b must not be based on more than 1.0 FTE for that pupil, and  
18 any portion of an FTE for that pupil that exceeds 1.0 is instead  
19 paid under section 25g. The district operating the program shall  
20 report to the center the number of pupils who were enrolled in the  
21 program and were in full attendance for a month not later than 30  
22 days after the end of the month. A district shall not report a  
23 pupil as being in full attendance for a month unless both of the  
24 following are met:

25 (i) A personalized learning plan is in place on or before the  
26 first school day of the month for the first month the pupil  
27 participates in the program.

28 (ii) The pupil meets the district's definition under section  
29 23a of satisfactory monthly progress for that month or, if the

1 pupil does not meet that definition of satisfactory monthly  
2 progress for that month, the pupil did meet that definition of  
3 satisfactory monthly progress in the immediately preceding month  
4 and appropriate interventions are implemented within 10 school days  
5 after it is determined that the pupil does not meet that definition  
6 of satisfactory monthly progress.

7 (ee) A pupil participating in a virtual course under section  
8 21f is counted in membership in the district enrolling the pupil.

9 (ff) If a public school academy that is not in its first or  
10 second year of operation closes at the end of a school year and  
11 does not reopen for the next school year, the department shall  
12 adjust the membership count of the district or other public school  
13 academy in which a former pupil of the closed public school academy  
14 enrolls and is in regular daily attendance for the next school year  
15 to ensure that the district or other public school academy receives  
16 the same amount of membership aid for the pupil as if the pupil  
17 were counted in the district or other public school academy on the  
18 supplemental count day of the preceding school year.

19 (gg) If a special education pupil is expelled under section  
20 1311 or 1311a of the revised school code, MCL 380.1311 and  
21 380.1311a, and is not in attendance on the pupil membership count  
22 day because of the expulsion, and if the pupil remains enrolled in  
23 the district and resumes regular daily attendance during that  
24 school year, the district's membership is adjusted to count the  
25 pupil in membership as if he or she had been in attendance on the  
26 pupil membership count day.

27 (hh) A pupil enrolled in a community district is counted in  
28 membership in the community district.

29 (ii) A part-time pupil enrolled in a nonpublic school in

1 grades K to 12 in accordance with section 166b must not be counted  
2 as more than 0.75 of a full-time equated membership.

3 (jj) A district that borders another state or a public school  
4 academy that operates at least grades 9 to 12 and is located within  
5 20 miles of a border with another state may count in membership a  
6 pupil who is enrolled in a course at a college or university that  
7 is located in the bordering state and within 20 miles of the border  
8 with this state if all of the following are met:

9 (i) The pupil would meet the definition of an eligible student  
10 under the postsecondary enrollment options act, 1996 PA 160, MCL  
11 388.511 to 388.524, if the course were an eligible course under  
12 that act.

13 (ii) The course in which the pupil is enrolled would meet the  
14 definition of an eligible course under the postsecondary enrollment  
15 options act, 1996 PA 160, MCL 388.511 to 388.524, if the course  
16 were provided by an eligible postsecondary institution under that  
17 act.

18 (iii) The department determines that the college or university  
19 is an institution that, in the other state, fulfills a function  
20 comparable to a state university or community college, as those  
21 terms are defined in section 3 of the postsecondary enrollment  
22 options act, 1996 PA 160, MCL 388.513, or is an independent  
23 nonprofit degree-granting college or university.

24 (iv) The district or public school academy pays for a portion  
25 of the pupil's tuition at the college or university in an amount  
26 equal to the eligible charges that the district or public school  
27 academy would pay to an eligible postsecondary institution under  
28 the postsecondary enrollment options act, 1996 PA 160, MCL 388.511  
29 to 388.524, as if the course were an eligible course under that

1 act.

2 (v) The district or public school academy awards high school  
3 credit to a pupil who successfully completes a course as described  
4 in this subdivision.

5 (kk) A pupil enrolled in a middle college program may be  
6 counted for more than a total of 1.0 full-time equated membership  
7 if the pupil is enrolled in more than the minimum number of  
8 instructional days and hours required under section 101 and the  
9 pupil is expected to complete the 5-year program with both a high  
10 school diploma and at least 60 transferable college credits or is  
11 expected to earn an associate's degree in fewer than 5 years.

12 (ll) If a district's or public school academy's membership for  
13 a particular fiscal year, as otherwise calculated under this  
14 subsection, includes pupils counted in membership who are enrolled  
15 under section 166b, all of the following apply for the purposes of  
16 this subdivision:

17 (i) If the district's or public school academy's membership for  
18 pupils counted under section 166b equals or exceeds 5% of the  
19 district's or public school academy's membership for pupils not  
20 counted in membership under section 166b in the immediately  
21 preceding fiscal year, then the growth in the district's or public  
22 school academy's membership for pupils counted under section 166b  
23 must not exceed 10%.

24 (ii) If the district's or public school academy's membership  
25 for pupils counted under section 166b is less than 5% of the  
26 district's or public school academy's membership for pupils not  
27 counted in membership under section 166b in the immediately  
28 preceding fiscal year, then the district's or public school  
29 academy's membership for pupils counted under section 166b must not

1 exceed the greater of the following:

2 (A) 5% of the district's or public school academy's membership  
3 for pupils not counted in membership under section 166b.

4 (B) 10% more than the district's or public school academy's  
5 membership for pupils counted under section 166b in the immediately  
6 preceding fiscal year.

7 (iii) If 1 or more districts consolidate or are parties to an  
8 annexation, then the calculations under subparagraphs (i) and (ii)  
9 must be applied to the combined total membership for pupils counted  
10 in those districts for the fiscal year immediately preceding the  
11 consolidation or annexation.

12 **(mm) Beginning with the 2021-2022 school year, if a district,**  
13 **intermediate district, or public school academy charges tuition for**  
14 **a student enrolled in the district, intermediate district, or**  
15 **public school academy that resided out of state in the immediately**  
16 **preceding school year, the student must not be counted in**  
17 **membership in the district, intermediate district, or public school**  
18 **academy.**

19 (5) "Public school academy" means that term as defined in  
20 section 5 of the revised school code, MCL 380.5.

21 (6) "Pupil" means an individual in membership in a public  
22 school. A district must have the approval of the pupil's district  
23 of residence to count the pupil in membership, except approval by  
24 the pupil's district of residence is not required for any of the  
25 following:

26 (a) A nonpublic part-time pupil enrolled in grades K to 12 in  
27 accordance with section 166b.

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

1 (c) A pupil enrolled in a public school academy.

2 ~~(d) A pupil enrolled in a district other than the pupil's~~  
 3 ~~district of residence under an intermediate district schools of~~  
 4 ~~choice pilot program as described in section 91a or former section~~  
 5 ~~91 if the intermediate district and its constituent districts have~~  
 6 ~~been exempted from section 105.~~

7 (d) ~~(e)~~ A pupil enrolled in a district other than the pupil's  
 8 district of residence if the pupil is enrolled in accordance with  
 9 section 105 or 105c.

10 (e) ~~(f)~~ A pupil who has made an official written complaint or  
 11 whose parent or legal guardian has made an official written  
 12 complaint to law enforcement officials and to school officials of  
 13 the pupil's district of residence that the pupil has been the  
 14 victim of a criminal sexual assault or other serious assault, if  
 15 the official complaint either indicates that the assault occurred  
 16 at school or that the assault was committed by 1 or more other  
 17 pupils enrolled in the school the pupil would otherwise attend in  
 18 the district of residence or by an employee of the district of  
 19 residence. A person who intentionally makes a false report of a  
 20 crime to law enforcement officials for the purposes of this  
 21 subdivision is subject to section 411a of the Michigan penal code,  
 22 1931 PA 328, MCL 750.411a, which provides criminal penalties for  
 23 that conduct. As used in this subdivision:

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

28 (ii) "Serious assault" means an act that constitutes a felony  
 29 violation of chapter XI of the Michigan penal code, 1931 PA 328,

1 MCL 750.81 to 750.90h, or that constitutes an assault and  
2 infliction of serious or aggravated injury under section 81a of the  
3 Michigan penal code, 1931 PA 328, MCL 750.81a.

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

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

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

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

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

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

19 **(h)** ~~(i)~~—A pupil enrolled in the Michigan Virtual School, for  
20 the pupil's enrollment in the Michigan Virtual School.

21 **(i)** ~~(j)~~—A pupil who is the child of a person who works at the  
22 district or who is the child of a person who worked at the district  
23 as of the time the pupil first enrolled in the district but who no  
24 longer works at the district due to a workforce reduction. As used  
25 in this subdivision, "child" includes an adopted child, stepchild,  
26 or legal ward.

27 **(j)** ~~(k)~~—An expelled pupil who has been denied reinstatement by  
28 the expelling district and is reinstated by another school board  
29 under section 1311 or 1311a of the revised school code, MCL

1 380.1311 and 380.1311a.

2 (k) ~~(l)~~—A pupil enrolled in a district other than the pupil's  
3 district of residence in a middle college program if the pupil's  
4 district of residence and the enrolling district are both  
5 constituent districts of the same intermediate district.

6 (l) ~~(m)~~—A pupil enrolled in a district other than the pupil's  
7 district of residence who attends a United States Olympic Education  
8 Center.

9 (m) ~~(n)~~—A pupil enrolled in a district other than the pupil's  
10 district of residence under section 1148(2) of the revised school  
11 code, MCL 380.1148.

12 (n) ~~(o)~~—A pupil who enrolls in a district other than the  
13 pupil's district of residence as a result of the pupil's school not  
14 making adequate yearly progress under the no child left behind act  
15 of 2001, Public Law 107-110, or the every student succeeds act,  
16 Public Law 114-95.

17 However, if a district educates pupils who reside in another  
18 district and if the primary instructional site for those pupils is  
19 established by the educating district after 2009-2010 and is  
20 located within the boundaries of that other district, the educating  
21 district must have the approval of that other district to count  
22 those pupils in membership.

23 (7) "Pupil membership count day" of a district or intermediate  
24 district means:

25 (a) Except as provided in subdivision (b), the first Wednesday  
26 in October each school year or, for a district or building in which  
27 school is not in session on that Wednesday due to conditions not  
28 within the control of school authorities, with the approval of the  
29 superintendent, the immediately following day on which school is in

1 session in the district or building. ~~A district is considered to be~~  
 2 ~~in session for purposes of this subdivision when the district is~~  
 3 ~~providing pupil instruction pursuant to an extended COVID-19~~  
 4 ~~learning plan approved under section 98a.~~

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

- 7 (i) Fourth Wednesday in July.
- 8 (ii) First Wednesday in October.
- 9 (iii) Second Wednesday in February.
- 10 (iv) Fourth Wednesday in April.

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

1 a particular year but was expelled or suspended on the pupil  
 2 membership count day or supplemental count day is only counted as  
 3 1.0 full-time equated membership if the pupil resumed attendance in  
 4 the district, intermediate district, or public school academy  
 5 within 45 days after the pupil membership count day or supplemental  
 6 count day of that particular year. A pupil not counted as 1.0 full-  
 7 time equated membership due to an absence from a class is counted  
 8 as a prorated membership for the classes the pupil attended. For  
 9 purposes of this subsection, "class" means a period of time in 1  
 10 day when pupils and an individual who is appropriately placed under  
 11 a valid certificate, substitute permit, authorization, or approval  
 12 issued by the department, are together and instruction is taking  
 13 place.

14 (9) "Pupils engaged in pandemic learning for ~~fall 2020~~ **spring**  
 15 **2021**" means ~~pupils in grades K to 12 who are enrolled in a~~  
 16 ~~district, excluding a district that operates as a cyber school, as~~  
 17 ~~that term is defined in section 551 of the revised school code, MCL~~  
 18 ~~380.551, or intermediate district and to which any of the following~~  
 19 ~~apply:~~

20 ~~(a) For a pupil who is not learning sequentially, any of the~~  
 21 ~~following occurs for each of the pupil's scheduled courses:~~

22 ~~(i) The pupil attends a live lesson from the pupil's teacher or~~  
 23 ~~at least 1 of the pupil's teachers on 2020-2021 pupil membership~~  
 24 ~~count day.~~

25 ~~(ii) The pupil logs into an online or virtual lesson or lesson~~  
 26 ~~activity on 2020-2021 pupil membership count day and the login can~~  
 27 ~~be documented by the district or intermediate district.~~

28 ~~(iii) The pupil and the pupil's teacher or at least 1 of the~~  
 29 ~~pupil's teachers engage in a subject-oriented telephone~~

1 ~~conversation on 2020-2021 pupil membership count day.~~

2 ~~(iv) The district or intermediate district documents that an~~  
 3 ~~electronic mail dialogue occurred between the pupil and the pupil's~~  
 4 ~~teacher or at least 1 of the pupil's teachers on 2020-2021 pupil~~  
 5 ~~membership count day.~~

6 ~~(b) For a pupil who is using sequential learning, any of the~~  
 7 ~~following occurs for each of the pupil's scheduled courses:~~

8 ~~(i) The pupil attends a virtual course where synchronous, live~~  
 9 ~~instruction occurs with the pupil's teacher or at least 1 of the~~  
 10 ~~pupil's teachers on 2020-2021 pupil membership count day and the~~  
 11 ~~attendance is documented by the district or intermediate district.~~

12 ~~(ii) The pupil completes a course assignment on 2020-2021 pupil~~  
 13 ~~membership count day and the completion is documented by the~~  
 14 ~~district or intermediate district.~~

15 ~~(iii) The pupil completes a course lesson or lesson activity on~~  
 16 ~~2020-2021 pupil membership count day and the completion is~~  
 17 ~~documented by the district or intermediate district.~~

18 ~~(iv) The pupil accesses an ongoing lesson that is not a login~~  
 19 ~~on 2020-2021 pupil membership count day and the access is~~  
 20 ~~documented by the district or intermediate district.~~

21 ~~(c) At a minimum, 1 2-way interaction has occurred between the~~  
 22 ~~pupil and the pupil's teacher or at least 1 of the pupil's teachers~~  
 23 ~~or another district employee who has responsibility for the pupil's~~  
 24 ~~learning, grade progression, or academic progress during the week~~  
 25 ~~on which 2020-2021 pupil membership count day falls and during each~~  
 26 ~~week for the 3 consecutive weeks after the week on which 2020-2021~~  
 27 ~~pupil membership count day falls. A district may utilize 2-way~~  
 28 ~~interactions that occur under this subdivision toward meeting the~~  
 29 ~~requirement under section 101(3)(h). As used in this subdivision:~~

1       ~~(i) "2-way interaction" means a communication that occurs~~  
 2 ~~between a pupil and the pupil's teacher or at least 1 of the~~  
 3 ~~pupil's teachers or another district employee who has~~  
 4 ~~responsibility for the pupil's learning, grade progression, or~~  
 5 ~~academic progress, where 1 party initiates communication and a~~  
 6 ~~response from the other party follows that communication, and that~~  
 7 ~~is relevant to course progress or course content for at least 1 of~~  
 8 ~~the courses in which the pupil is enrolled or relevant to the~~  
 9 ~~pupil's overall academic progress or grade progression. Responses,~~  
 10 ~~as described in this subparagraph, must be to communication~~  
 11 ~~initiated by the teacher, by another district employee who has~~  
 12 ~~responsibility for the pupil's learning, grade progression, or~~  
 13 ~~academic progress, or by the pupil, and not some other action~~  
 14 ~~taken. The communication described in this subparagraph may occur~~  
 15 ~~through, but is not limited to, any of the following means:~~

- 16       ~~(A) Electronic mail.~~  
 17       ~~(B) Telephone.~~  
 18       ~~(C) Instant messaging.~~  
 19       ~~(D) Face-to-face conversation.~~

20       ~~(ii) "Week" means a period beginning on Wednesday and ending on~~  
 21 ~~the following Tuesday.~~

22       ~~(d) The pupil has not participated in or completed an activity~~  
 23 ~~as described in subdivision (a), (b), or (c) and the pupil was not~~  
 24 ~~excused from participation or completion, but the pupil~~  
 25 ~~participates in or completes an activity described in subdivision~~  
 26 ~~(a) or (b) during the 10 consecutive school days immediately~~  
 27 ~~following the 2020-2021 pupil membership count day.~~

28       ~~(e) The pupil has not participated in or completed an activity~~  
 29 ~~as described in subdivision (a), (b), or (c) and the pupil was~~

1 ~~excused from participation or completion, but the pupil~~  
 2 ~~participates in or completes an activity described in subdivision~~  
 3 ~~(a) or (b) during the 30 calendar days immediately following the~~  
 4 ~~2020-2021 pupil membership count day.~~

5 ~~(f) The pupil meets the criteria of pupils in grades K to 12~~  
 6 ~~actually enrolled and in regular daily attendance.~~ **that term as**  
 7 **defined in section 6a.**

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

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

13 (12) "School district of the first class", "first class school  
 14 district", and "district of the first class" mean, for the purposes  
 15 of this article only, a district that had at least 40,000 pupils in  
 16 membership for the immediately preceding fiscal year.

17 (13) "School fiscal year" means a fiscal year that commences  
 18 July 1 and continues through June 30.

19 (14) "State board" means the state board of education.

20 (15) "Superintendent", unless the context clearly refers to a  
 21 district or intermediate district superintendent, means the  
 22 superintendent of public instruction described in section 3 of  
 23 article VIII of the state constitution of 1963.

24 (16) "Supplemental count day" means the day on which the  
 25 supplemental pupil count is conducted under section 6a or the day  
 26 specified as supplemental count day under section 6a.

27 (17) "Tuition pupil" means a pupil of school age attending  
 28 school in a district other than the pupil's district of residence  
 29 for whom tuition may be charged to the district of residence.

1 Tuition pupil does not include a pupil who is a special education  
2 pupil, a pupil described in subsection (6)(c) to (o), or a pupil  
3 whose parent or guardian voluntarily enrolls the pupil in a  
4 district that is not the pupil's district of residence. A pupil's  
5 district of residence shall not require a high school tuition  
6 pupil, as provided under section 111, to attend another school  
7 district after the pupil has been assigned to a school district.

8 (18) "State school aid fund" means the state school aid fund  
9 established in section 11 of article IX of the state constitution  
10 of 1963.

11 (19) "Taxable value" means, **except as otherwise provided in**  
12 **this article**, the taxable value of property as determined under  
13 section 27a of the general property tax act, 1893 PA 206, MCL  
14 211.27a.

15 (20) "Textbook" means a book, electronic book, or other  
16 instructional print or electronic resource that is selected and  
17 approved by the governing board of a district and that contains a  
18 presentation of principles of a subject, or that is a literary work  
19 relevant to the study of a subject required for the use of  
20 classroom pupils, or another type of course material that forms the  
21 basis of classroom instruction.

22 (21) "Total state aid" or "total state school aid", except as  
23 otherwise provided in this article, means the total combined amount  
24 of all funds due to a district, intermediate district, or other  
25 entity under this article.

26 Sec. 11. (1) ~~For the fiscal year ending September 30, 2021,~~  
27 ~~there is appropriated for the public schools of this state and~~  
28 ~~certain other state purposes relating to education the sum of~~  
29 ~~\$13,759,819,500.00 from the state school aid fund, the sum of~~

1 ~~\$50,964,600.00 from the general fund, an amount not to exceed~~  
 2 ~~\$77,700,000.00 from the community district education trust fund~~  
 3 ~~created under section 12 of the Michigan trust fund act, 2000 PA~~  
 4 ~~489, MCL 12.262, and an amount not to exceed \$100.00 from the water~~  
 5 ~~emergency reserve fund.~~ **For the fiscal year ending September 30,**  
 6 **2022, there is appropriated for the public schools of this state**  
 7 **and certain other state purposes relating to education the sum of**  
 8 **\$14,427,385,000.00 from the state school aid fund, the sum of**  
 9 **\$54,250,000.00 from the general fund, an amount not to exceed**  
 10 **\$72,000,000.00 from the community district education trust fund**  
 11 **created under section 12 of the Michigan trust fund act, 2000 PA**  
 12 **489, MCL 12.262, and an amount not to exceed \$100.00 from the water**  
 13 **emergency reserve fund.** In addition, all available federal funds  
 14 are **only** appropriated **as allocated in this article** for the fiscal  
 15 year ending September 30, ~~2021~~**2022**.

16 (2) The appropriations under this section are allocated as  
 17 provided in this article. Money appropriated under this section  
 18 from the general fund must be expended to fund the purposes of this  
 19 article before the expenditure of money appropriated under this  
 20 section from the state school aid fund.

21 (3) Any general fund allocations under this article that are  
 22 not expended by the end of the fiscal year are transferred to the  
 23 school aid stabilization fund created under section 11a.

24 Sec. 11a. (1) The school aid stabilization fund is created as  
 25 a separate account within the state school aid fund.

26 (2) The state treasurer may receive money or other assets from  
 27 any source for deposit into the school aid stabilization fund. The  
 28 state treasurer shall deposit into the school aid stabilization  
 29 fund all of the following:

1 (a) Unexpended and unencumbered state school aid fund revenue  
2 for a fiscal year that remains in the state school aid fund as of  
3 the bookclosing for that fiscal year.

4 (b) Money statutorily dedicated to the school aid  
5 stabilization fund.

6 (c) Money appropriated to the school aid stabilization fund.

7 (3) Money available in the school aid stabilization fund may  
8 not be expended without a specific appropriation from the school  
9 aid stabilization fund. Money in the school aid stabilization fund  
10 must be expended only for purposes for which state school aid fund  
11 money may be expended.

12 (4) The state treasurer shall direct the investment of the  
13 school aid stabilization fund. The state treasurer shall credit to  
14 the school aid stabilization fund interest and earnings from fund  
15 investments.

16 (5) Money in the school aid stabilization fund at the close of  
17 a fiscal year remains in the school aid stabilization fund and does  
18 not lapse to the unreserved school aid fund balance or the general  
19 fund.

20 (6) If the maximum amount appropriated under section 11 from  
21 the state school aid fund for a fiscal year exceeds the amount  
22 available for expenditure from the state school aid fund for that  
23 fiscal year, there is appropriated from the school aid  
24 stabilization fund to the state school aid fund an amount equal to  
25 the projected shortfall as determined by the department of  
26 treasury, but not to exceed available money in the school aid  
27 stabilization fund. If the money in the school aid stabilization  
28 fund is insufficient to fully fund an amount equal to the projected  
29 shortfall, the state budget director shall notify the legislature

1 as required under section 296(2) and state payments in an amount  
 2 equal to the remainder of the projected shortfall must be prorated  
 3 in the manner provided under section 296(3).

4 (7) For ~~2020-2021,~~ **2021-2022**, in addition to the  
 5 appropriations in section 11, there is appropriated from the school  
 6 aid stabilization fund to the state school aid fund the amount  
 7 necessary to fully fund the allocations under this article.

8 **(8) For 2021-2022, from the state school aid fund money**  
 9 **appropriated in section 11, there is allocated an amount equal to**  
 10 **\$102,300,000.00 for deposit to the school aid stabilization fund.**

11 Sec. 11j. From the ~~appropriation~~ **state school aid fund money**  
 12 **appropriated** in section 11, there is allocated an amount not to  
 13 exceed \$111,000,000.00 for ~~2020-2021-~~ **2021-2022** for payments to the  
 14 school loan bond redemption fund in the department of treasury on  
 15 behalf of districts and intermediate districts. Notwithstanding  
 16 section 296 or any other provision of this act, funds allocated  
 17 under this section are not subject to proration and must be paid in  
 18 full.

19 Sec. 11k. For ~~2020-2021,~~ **2021-2022**, there is appropriated from  
 20 the general fund to the school loan revolving fund an amount equal  
 21 to the amount of school bond loans assigned to the Michigan finance  
 22 authority, not to exceed the total amount of school bond loans held  
 23 in reserve as long-term assets. As used in this section, "school  
 24 loan revolving fund" means that fund created in section 16c of the  
 25 shared credit rating act, 1985 PA 227, MCL 141.1066c.

26 Sec. 11m. From the ~~appropriation~~ **state school aid fund money**  
 27 **appropriated** in section 11, there is allocated for ~~2020-2021 an~~  
 28 ~~amount not to exceed \$11,400,000.00~~ **2021-2022 an amount not to**  
 29 **exceed \$9,500,000.00** for fiscal year cash-flow borrowing costs

1 solely related to the state school aid fund established under  
2 section 11 of article IX of the state constitution of 1963.

3       Sec. 11s. (1) From the state school aid fund money  
4 appropriated in section 11, there is allocated \$5,000,000.00 for  
5 ~~2020-2021-2021-2022~~ and from the general fund money appropriated in  
6 section 11, there is allocated \$3,075,000.00 for ~~2020-2021-2021-~~  
7 ~~2022~~ for the purpose of providing services and programs to children  
8 who reside within the boundaries of a district with the majority of  
9 its territory located within the boundaries of a city for which an  
10 executive proclamation of emergency concerning drinking water is  
11 issued in the current or immediately preceding ~~5-6~~ fiscal years  
12 under the emergency management act, 1976 PA 390, MCL 30.401 to  
13 30.421. From the funding appropriated in section 11, there is  
14 allocated for ~~2020-2021-2021-2022~~ \$100.00 from the water emergency  
15 reserve fund for the purposes of this section.

16       (2) From the general fund money allocated in subsection (1),  
17 there is allocated to a district with the majority of its territory  
18 located within the boundaries of a city ~~in-for~~ which an executive  
19 proclamation of emergency is issued in the current or immediately  
20 preceding ~~5-6~~ fiscal years and that has at least 4,500 pupils in  
21 membership for the 2016-2017 fiscal year or has at least 3,000  
22 pupils in membership for a fiscal year after 2016-2017, an amount  
23 not to exceed \$2,425,000.00 for ~~2020-2021-2021-2022~~ for the purpose  
24 of employing school nurses, classroom aides, and school social  
25 workers. The district shall provide a report to the department in a  
26 form, manner, and frequency prescribed by the department. The  
27 department shall provide a copy of that report to the governor, the  
28 house and senate school aid subcommittees, the house and senate  
29 fiscal agencies, and the state budget director within 5 days after

1 receipt. The report must provide at least the following  
2 information:

3 (a) How many personnel were hired using the funds allocated  
4 under this subsection.

5 (b) A description of the services provided to pupils by those  
6 personnel.

7 (c) How many pupils received each type of service identified  
8 in subdivision (b).

9 (d) Any other information the department considers necessary  
10 to ensure that the children described in subsection (1) received  
11 appropriate levels and types of services.

12 (3) For ~~2020-2021 only,~~ **2021-2022**, from the state school aid  
13 fund money allocated in subsection (1), there is allocated an  
14 amount not to exceed ~~\$2,400,000.00~~ **\$2,000,000.00** to an intermediate  
15 district that has a constituent district described in subsection  
16 (2) to provide state early intervention services for children  
17 described in subsection (1) who are between age 3 and age 5. The  
18 intermediate district shall use these funds to provide state early  
19 intervention services that are similar to the services described in  
20 the early on Michigan state plan. ~~, including ensuring that all~~  
21 ~~children described in subsection (1) who are less than 4 years of~~  
22 ~~age as of September 1, 2016 are assessed and evaluated at least~~  
23 ~~twice annually.~~

24 (4) From the state school aid fund money allocated in  
25 subsection (1), there is allocated an amount not to exceed  
26 \$1,000,000.00 for ~~2020-2021~~ **2021-2022** to the intermediate district  
27 described in subsection (3) to enroll children described in  
28 subsection (1) in school-day great start readiness programs,  
29 regardless of household income eligibility requirements contained

1 in section 32d. The department shall administer this funding  
 2 consistent with all other provisions that apply to great start  
 3 readiness programs under sections 32d and 39.

4 (5) For ~~2020-2021~~, **2021-2022**, from the general fund money  
 5 allocated in subsection (1), there is allocated an amount not to  
 6 exceed \$650,000.00 for nutritional services to children described  
 7 in subsection (1).

8 (6) For ~~2020-2021~~, **2021-2022**, from the state school aid fund  
 9 money allocated in subsection (1), there is allocated an amount not  
 10 to exceed ~~\$1,600,000.00~~ **\$2,000,000.00** to the intermediate district  
 11 described in subsection (3) for interventions and supports for  
 12 students in K to 12 who were impacted by an executive proclamation  
 13 of emergency described in subsection (1) concerning drinking water.  
 14 Funds under this subsection must be used for behavioral supports,  
 15 social workers, counselors, psychologists, nursing services,  
 16 including, but not limited to, vision and hearing services,  
 17 transportation services, parental engagement, community  
 18 coordination, and other support services.

19 (7) In addition to other funding allocated and appropriated in  
 20 this section, there is appropriated an amount not to exceed  
 21 \$5,000,000.00 for ~~2020-2021~~ **2021-2022** for state restricted  
 22 contingency funds. These contingency funds are not available for  
 23 expenditure until they have been transferred to a section within  
 24 this article under section 393(2) of the management and budget act,  
 25 1984 PA 431, MCL 18.1393.

26 (8) Notwithstanding section 17b, the department shall make  
 27 payments under this section on a schedule determined by the  
 28 department.

29 Sec. 15. (1) If a district or intermediate district fails to

1 receive its proper apportionment, the department, upon satisfactory  
2 proof that the district or intermediate district was entitled  
3 justly, shall apportion the deficiency in the next apportionment.  
4 Subject to subsections (2) and (3), if a district or intermediate  
5 district has received more than its proper apportionment, the  
6 department, upon satisfactory proof, shall deduct the excess in the  
7 next apportionment. Notwithstanding any other provision in this  
8 article, state aid overpayments to a district, other than  
9 overpayments in payments for special education or special education  
10 transportation, may be recovered from any payment made under this  
11 article other than a special education or special education  
12 transportation payment, from the proceeds of a loan to the district  
13 under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to  
14 141.942, or from the proceeds of millage levied or pledged under  
15 section 1211 of the revised school code, MCL 380.1211. State aid  
16 overpayments made in special education or special education  
17 transportation payments may be recovered from subsequent special  
18 education or special education transportation payments, from the  
19 proceeds of a loan to the district under the emergency municipal  
20 loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds  
21 of millage levied or pledged under section 1211 of the revised  
22 school code, MCL 380.1211.

23 (2) If the result of an audit conducted by or for the  
24 department affects the current fiscal year membership, the  
25 department shall adjust affected payments in the current fiscal  
26 year. A deduction due to an adjustment made as a result of an audit  
27 conducted by or for the department, or as a result of information  
28 obtained by the department from the district, an intermediate  
29 district, the department of treasury, or the office of auditor

1 general, must be deducted from the district's apportionments when  
2 the adjustment is finalized. At the request of the district and  
3 upon the district presenting evidence satisfactory to the  
4 department of the hardship, the department may grant up to an  
5 additional 4 years for the adjustment and may advance payments to  
6 the district otherwise authorized under this article if the  
7 district would otherwise experience a significant hardship in  
8 satisfying its financial obligations. However, a district that  
9 presented satisfactory evidence of hardship and was undergoing an  
10 extended adjustment during 2018-2019 may continue to use the period  
11 of extended adjustment as originally granted by the department.

12 (3) If, based on an audit by the department or the  
13 department's designee or because of new or updated information  
14 received by the department, the department determines that the  
15 amount paid to a district or intermediate district under this  
16 article for the current fiscal year or a prior fiscal year was  
17 incorrect, the department shall make the appropriate deduction or  
18 payment in the district's or intermediate district's allocation in  
19 the next apportionment after the adjustment is finalized. The  
20 department shall calculate the deduction or payment according to  
21 the law in effect in the fiscal year in which the incorrect amount  
22 was paid. If the district does not receive an allocation for the  
23 fiscal year or if the allocation is not sufficient to pay the  
24 amount of any deduction, the amount of any deduction otherwise  
25 applicable must be satisfied from the proceeds of a loan to the  
26 district under the emergency municipal loan act, 1980 PA 243, MCL  
27 141.931 to 141.942, or from the proceeds of millage levied or  
28 pledged under section 1211 of the revised school code, MCL  
29 380.1211, as determined by the department.

1           (4) If the department makes an adjustment under this section  
2 based in whole or in part on a membership audit finding that a  
3 district or intermediate district employed an educator in violation  
4 of certification requirements under the revised school code and  
5 rules promulgated by the department, the department shall prorate  
6 the adjustment according to the period of noncompliance with the  
7 certification requirements.

8           (5) The department may conduct audits, or may direct audits by  
9 designee of the department, for the current fiscal year and the  
10 immediately preceding fiscal year of all records related to a  
11 program for which a district or intermediate district has received  
12 funds under this article.

13           (6) Expenditures made by the department under this article  
14 that are caused by the write-off of prior year accruals may be  
15 funded by revenue from the write-off of prior year accruals.

16           (7) In addition to funds appropriated in section 11 for all  
17 programs and services, there is appropriated for ~~2020-2021-2021-~~  
18 **2022** for obligations in excess of applicable appropriations an  
19 amount equal to the collection of overpayments, but not to exceed  
20 amounts available from overpayments.

21           Sec. 18. (1) Except as provided in another section of this  
22 article, each district or other entity shall apply the money  
23 received by the district or entity under this article to salaries  
24 and other compensation of teachers and other employees, tuition,  
25 transportation, lighting, heating, ventilation, water service, the  
26 purchase of textbooks, other supplies, and any other school  
27 operating expenditures defined in section 7. However, not more than  
28 20% of the total amount received by a district under sections 22a  
29 and 22b or received by an intermediate district under section 81

1 may be transferred by the board to either the capital projects fund  
2 or to the debt retirement fund for debt service. A district or  
3 other entity shall not apply or take the money for a purpose other  
4 than as provided in this section. The department shall determine  
5 the reasonableness of expenditures and may withhold from a  
6 recipient of funds under this article the apportionment otherwise  
7 due upon a violation by the recipient. A district must not be  
8 prohibited or limited from using funds appropriated or allocated  
9 under this article that are permitted for use for noninstructional  
10 services to contract or subcontract with an intermediate district,  
11 third party, or vendor for the noninstructional services.

12 (2) A district or intermediate district shall adopt an annual  
13 budget in a manner that complies with the uniform budgeting and  
14 accounting act, 1968 PA 2, MCL 141.421 to 141.440a. Within 15 days  
15 after a district board adopts its annual operating budget for the  
16 following school fiscal year, or after a district board adopts a  
17 subsequent revision to that budget, the district shall make all of  
18 the following available through a link on its website homepage, or  
19 may make the information available through a link on its  
20 intermediate district's website homepage, in a form and manner  
21 prescribed by the department:

22 (a) The annual operating budget and subsequent budget  
23 revisions.

24 (b) Using data that have already been collected and submitted  
25 to the department, a summary of district expenditures for the most  
26 recent fiscal year for which they are available, expressed in the  
27 following 2 visual displays:

28 (i) A chart of personnel expenditures, broken into the  
29 following subcategories:

1 (A) Salaries and wages.

2 (B) Employee benefit costs, including, but not limited to,  
3 medical, dental, vision, life, disability, and long-term care  
4 benefits.

5 (C) Retirement benefit costs.

6 (D) All other personnel costs.

7 (ii) A chart of all district expenditures, broken into the  
8 following subcategories:

9 (A) Instruction.

10 (B) Support services.

11 (C) Business and administration.

12 (D) Operations and maintenance.

13 (c) Links to all of the following:

14 (i) The current collective bargaining agreement for each  
15 bargaining unit.

16 (ii) Each health care benefits plan, including, but not limited  
17 to, medical, dental, vision, disability, long-term care, or any  
18 other type of benefits that would constitute health care services,  
19 offered to any bargaining unit or employee in the district.

20 (iii) The audit report of the **financial** audit conducted under  
21 subsection (4) for the most recent fiscal year for which it is  
22 available.

23 (iv) The bids required under section 5 of the public employees  
24 health benefit act, 2007 PA 106, MCL 124.75.

25 (v) The district's written policy governing procurement of  
26 supplies, materials, and equipment.

27 (vi) The district's written policy establishing specific  
28 categories of reimbursable expenses, as described in section  
29 1254(2) of the revised school code, MCL 380.1254.

1           (vii) Either the district's accounts payable check register for  
2 the most recent school fiscal year or a statement of the total  
3 amount of expenses incurred by board members or employees of the  
4 district that were reimbursed by the district for the most recent  
5 school fiscal year.

6           (d) The total salary and a description and cost of each fringe  
7 benefit included in the compensation package for the superintendent  
8 of the district and for each employee of the district whose salary  
9 exceeds \$100,000.00.

10           (e) The annual amount spent on dues paid to associations.

11           (f) The annual amount spent on lobbying or lobbying services.  
12 As used in this subdivision, "lobbying" means that term as defined  
13 in section 5 of 1978 PA 472, MCL 4.415.

14           (g) Any deficit elimination plan or enhanced deficit  
15 elimination plan the district was required to submit under the  
16 revised school code.

17           (h) Identification of all credit cards maintained by the  
18 district as district credit cards, the identity of all individuals  
19 authorized to use each of those credit cards, the credit limit on  
20 each credit card, and the dollar limit, if any, for each  
21 individual's authorized use of the credit card.

22           (i) Costs incurred for each instance of out-of-state travel by  
23 the school administrator of the district that is fully or partially  
24 paid for by the district and the details of each of those instances  
25 of out-of-state travel, including at least identification of each  
26 individual on the trip, destination, and purpose.

27           (3) For the information required under subsection (2) (a),  
28 (2) (b) (i), and (2) (c), an intermediate district shall provide the  
29 same information in the same manner as required for a district

1 under subsection (2).

2 (4) For the purposes of determining the reasonableness of  
3 expenditures, whether a district or intermediate district has  
4 received the proper amount of funds under this article, and whether  
5 a violation of this article has occurred, all of the following  
6 apply:

7 (a) The department shall require that each district and  
8 intermediate district have an audit of the district's or  
9 intermediate district's financial and pupil accounting records  
10 conducted at least annually, and at such other times as determined  
11 by the department, at the expense of the district or intermediate  
12 district, as applicable. The audits must be performed by a  
13 certified public accountant or by the intermediate district  
14 superintendent, as may be required by the department, or in the  
15 case of a district of the first class by a certified public  
16 accountant, the intermediate superintendent, or the auditor general  
17 of the city. A district or intermediate district shall retain these  
18 records for the current fiscal year and from at least the 3  
19 immediately preceding fiscal years.

20 (b) If a district operates in a single building with fewer  
21 than 700 full-time equated pupils, if the district has stable  
22 membership, and if the error rate of the immediately preceding 2  
23 pupil accounting field audits of the district is less than 2%, the  
24 district may have a pupil accounting field audit conducted  
25 biennially but must continue to have desk audits for each pupil  
26 count. The auditor must document compliance with the audit cycle in  
27 the pupil auditing manual. As used in this subdivision, "stable  
28 membership" means that the district's membership for the current  
29 fiscal year varies from the district's membership for the

1 immediately preceding fiscal year by less than 5%.

2 (c) A district's or intermediate district's annual financial  
3 audit must include an analysis of the financial and pupil  
4 accounting data used as the basis for distribution of state school  
5 aid.

6 (d) The pupil and financial accounting records and reports,  
7 audits, and management letters are subject to requirements  
8 established in the auditing and accounting manuals approved and  
9 published by the department.

10 (e) All of the following must be done not later than November  
11 1 each year for reporting the prior fiscal year data: ~~, but, for~~  
12 ~~2020-2021 only, not later than December 1 for reporting the 2019-~~  
13 ~~2020 data:~~

14 (i) A district shall file the annual financial audit reports  
15 with the intermediate district and the department.

16 (ii) The intermediate district shall file the annual financial  
17 audit reports for the intermediate district with the department.

18 (iii) The intermediate district shall enter the pupil membership  
19 audit reports for its constituent districts and for the  
20 intermediate district, for the pupil membership count day and  
21 supplemental count day, in the Michigan student data system.

22 (f) The annual financial audit reports and pupil accounting  
23 procedures reports must be available to the public in compliance  
24 with the freedom of information act, 1976 PA 442, MCL 15.231 to  
25 15.246.

26 (g) Not later than January 31 of each year, the department  
27 shall notify the state budget director and the legislative  
28 appropriations subcommittees responsible for review of the school  
29 aid budget of districts and intermediate districts that have not

1 filed an annual financial audit and pupil accounting procedures  
2 report required under this section for the school year ending in  
3 the immediately preceding fiscal year.

4 (5) By the first business day in November of each fiscal year,  
5 ~~but, for submission of the 2019-2020 annual comprehensive financial~~  
6 ~~data described in this subsection, by the first business day in~~  
7 ~~December,~~ each district and intermediate district shall submit to  
8 the center, in a manner prescribed by the center, annual  
9 comprehensive financial data consistent with the district's or  
10 intermediate district's audited financial statements and consistent  
11 with accounting manuals and charts of accounts approved and  
12 published by the department. For an intermediate district, the  
13 report must also contain the website address where the department  
14 can access the report required under section 620 of the revised  
15 school code, MCL 380.620. The department shall ensure that the  
16 prescribed Michigan public school accounting manual chart of  
17 accounts includes standard conventions to distinguish expenditures  
18 by allowable fund function and object. The functions must include  
19 at minimum categories for instruction, pupil support, instructional  
20 staff support, general administration, school administration,  
21 business administration, transportation, facilities operation and  
22 maintenance, facilities acquisition, and debt service; and must  
23 include object classifications of salary, benefits, including  
24 categories for active employee health expenditures, purchased  
25 services, supplies, capital outlay, and other. A district shall  
26 report the required level of detail consistent with the manual as  
27 part of the comprehensive annual financial report.

28 (6) By the last business day in September of each year, each  
29 district and intermediate district shall file with the center the

1 special education actual cost report, known as "SE-4096", on a form  
2 and in the manner prescribed by the center. An intermediate  
3 district shall certify the audit of a district's report.

4 (7) By not later than 1 week after the last business day in  
5 September of each year, each district and intermediate district  
6 shall file with the center the audited transportation expenditure  
7 report, known as "SE-4094", on a form and in the manner prescribed  
8 by the center. An intermediate district shall certify the audit of  
9 a district's report.

10 (8) The department shall review its pupil accounting and pupil  
11 auditing manuals at least annually and shall periodically update  
12 those manuals to reflect changes in this article.

13 (9) If a district that is a public school academy purchases  
14 property using money received under this article, the public school  
15 academy shall retain ownership of the property unless the public  
16 school academy sells the property at fair market value.

17 (10) If a district or intermediate district does not comply  
18 with subsections (4), (5), (6), (7), and (12), or if the department  
19 determines that the financial data required under subsection (5)  
20 are not consistent with audited financial statements, the  
21 department shall withhold all state school aid due to the district  
22 or intermediate district under this article, beginning with the  
23 next payment due to the district or intermediate district, until  
24 the district or intermediate district complies with subsections  
25 (4), (5), (6), (7), and (12). If the district or intermediate  
26 district does not comply with subsections (4), (5), (6), (7), and  
27 (12) by the end of the fiscal year, the district or intermediate  
28 district forfeits the amount withheld.

29 (11) If a district or intermediate district does not comply

1 with subsection (2), the department may withhold up to 10% of the  
2 total state school aid due to the district or intermediate district  
3 under this article, beginning with the next payment due to the  
4 district or intermediate district, until the district or  
5 intermediate district complies with subsection (2). If the district  
6 or intermediate district does not comply with subsection (2) by the  
7 end of the fiscal year, the district or intermediate district  
8 forfeits the amount withheld.

9 (12) By November 1 of each year, if a district or intermediate  
10 district offers virtual learning under section 21f, or for a school  
11 of excellence that is a cyber school, as defined in section 551 of  
12 the revised school code, MCL 380.551, the district or intermediate  
13 district shall submit to the department a report that details the  
14 per-pupil costs of operating the virtual learning by vendor type  
15 and virtual learning model. The report must include information  
16 concerning the operation of virtual learning for the immediately  
17 preceding school fiscal year, including information concerning  
18 summer programming. Information must be collected in a form and  
19 manner determined by the department and must be collected in the  
20 most efficient manner possible to reduce the administrative burden  
21 on reporting entities.

22 (13) By March 31 of each year, the department shall submit to  
23 the house and senate appropriations subcommittees on ~~state~~-school  
24 aid, the state budget director, and the house and senate fiscal  
25 agencies a report summarizing the per-pupil costs by vendor type of  
26 virtual courses available under section 21f and virtual courses  
27 provided by a school of excellence that is a cyber school, as  
28 defined in section 551 of the revised school code, MCL 380.551.

29 (14) As used in subsections (12) and (13), "vendor type" means

1 the following:

2 (a) Virtual courses provided by the Michigan Virtual  
3 University.

4 (b) Virtual courses provided by a school of excellence that is  
5 a cyber school, as defined in section 551 of the revised school  
6 code, MCL 380.551.

7 (c) Virtual courses provided by third party vendors not  
8 affiliated with a ~~Michigan~~ public school **in this state**.

9 (d) Virtual courses created and offered by a district or  
10 intermediate district.

11 (15) An allocation to a district or another entity under this  
12 article is contingent upon the district's or entity's compliance  
13 with this section.

14 (16) ~~Beginning October 1, 2020, and annually thereafter, the~~  
15 **The** department shall **annually** submit to the senate and house  
16 subcommittees on ~~state~~-school aid and to the senate and house  
17 standing committees on education an itemized list of allocations  
18 under this article to any association or consortium consisting of  
19 associations in the immediately preceding fiscal year. The report  
20 must detail the recipient or recipients, the amount allocated, and  
21 the purpose for which the funds were distributed.

22 Sec. 20. (1) For ~~2020-2021,~~ **2021-2022**, both of the following  
23 apply:

24 (a) The target foundation allowance is ~~\$8,529.00.~~ **\$8,579.00.**

25 (b) The minimum foundation allowance is ~~\$8,111.00.~~ **\$8,211.00.**

26 (2) The department shall calculate the amount of each  
27 district's foundation allowance as provided in this section, using  
28 a target foundation allowance in the amount specified in subsection  
29 (1).

1           (3) Except as otherwise provided in this section, the  
2 department shall calculate the amount of a district's foundation  
3 allowance as follows, using in all calculations the total amount of  
4 the district's foundation allowance as calculated before any  
5 proration:

6           (a) Except as otherwise provided in this subdivision, for a  
7 district that had a foundation allowance for the immediately  
8 preceding fiscal year that was at least equal to the minimum  
9 foundation allowance for the immediately preceding fiscal year, but  
10 less than the target foundation allowance for the immediately  
11 preceding fiscal year, the district receives a foundation allowance  
12 in an amount equal to the sum of the district's foundation  
13 allowance for the immediately preceding fiscal year plus the  
14 difference between twice the dollar amount of the adjustment from  
15 the immediately preceding fiscal year to the current fiscal year  
16 made in the target foundation allowance and [(the difference  
17 between the target foundation allowance for the current fiscal year  
18 and target foundation allowance for the immediately preceding  
19 fiscal year minus ~~\$40.00~~ **\$17.00**) times (the difference between the  
20 district's foundation allowance for the immediately preceding  
21 fiscal year and the minimum foundation allowance for the  
22 immediately preceding fiscal year) divided by the difference  
23 between the target foundation allowance for the current fiscal year  
24 and the minimum foundation allowance for the immediately preceding  
25 fiscal year.] However, the foundation allowance for a district that  
26 had less than the target foundation allowance for the immediately  
27 preceding fiscal year must not exceed the target foundation  
28 allowance for the current fiscal year.

29           (b) Except as otherwise provided in this subsection, for a

1 district that in the immediately preceding fiscal year had a  
2 foundation allowance in an amount equal to the amount of the target  
3 foundation allowance for the immediately preceding fiscal year, the  
4 district receives a foundation allowance for ~~2020-2021-2021-2022~~ in  
5 an amount equal to the target foundation allowance for ~~2020-~~  
6 ~~2021-2021-2022~~.

7 (c) For a district that had a foundation allowance for the  
8 immediately preceding fiscal year that was greater than the target  
9 foundation allowance for the immediately preceding fiscal year, the  
10 district's foundation allowance is an amount equal to the sum of  
11 the district's foundation allowance for the immediately preceding  
12 fiscal year plus the lesser of the increase in the target  
13 foundation allowance for the current fiscal year, as compared to  
14 the immediately preceding fiscal year, or the product of the  
15 district's foundation allowance for the immediately preceding  
16 fiscal year times the percentage increase in the United States  
17 Consumer Price Index in the calendar year ending in the immediately  
18 preceding fiscal year as reported by the May revenue estimating  
19 conference conducted under section 367b of the management and  
20 budget act, 1984 PA 431, MCL 18.1367b.

21 (d) For a district that has a foundation allowance that is not  
22 a whole dollar amount, the department shall round the district's  
23 foundation allowance up to the nearest whole dollar.

24 (4) Except as otherwise provided in this subsection, beginning  
25 in 2014-2015, the state portion of a district's foundation  
26 allowance is an amount equal to the district's foundation allowance  
27 or the target foundation allowance for the current fiscal year,  
28 whichever is less, minus the local portion of the district's  
29 foundation allowance. For a district described in subsection

1 (3) (c), beginning in 2014-2015, the state portion of the district's  
2 foundation allowance is an amount equal to \$6,962.00 plus the  
3 difference between the district's foundation allowance for the  
4 current fiscal year and the district's foundation allowance for  
5 1998-99, minus the local portion of the district's foundation  
6 allowance. For a district that has a millage reduction required  
7 under section 31 of article IX of the state constitution of 1963,  
8 the department shall calculate the state portion of the district's  
9 foundation allowance as if that reduction did not occur. For a  
10 receiving district, if school operating taxes continue to be levied  
11 on behalf of a dissolved district that has been attached in whole  
12 or in part to the receiving district to satisfy debt obligations of  
13 the dissolved district under section 12 of the revised school code,  
14 MCL 380.12, the taxable value per membership pupil of property in  
15 the receiving district used for the purposes of this subsection  
16 does not include the taxable value of property within the  
17 geographic area of the dissolved district. For a community  
18 district, if school operating taxes continue to be levied by a  
19 qualifying school district under section 12b of the revised school  
20 code, MCL 380.12b, with the same geographic area as the community  
21 district, the taxable value per membership pupil of property in the  
22 community district to be used for the purposes of this subsection  
23 does not include the taxable value of property within the  
24 geographic area of the community district.

25 (5) The allocation calculated under this section for a pupil  
26 is based on the foundation allowance of the pupil's district of  
27 residence. For a pupil enrolled ~~pursuant to~~ **under** section 105 or  
28 105c in a district other than the pupil's district of residence,  
29 the allocation calculated under this section is based on the lesser

1 of the foundation allowance of the pupil's district of residence or  
2 the foundation allowance of the educating district. For a pupil in  
3 membership in a K-5, K-6, or K-8 district who is enrolled in  
4 another district in a grade not offered by the pupil's district of  
5 residence, the allocation calculated under this section is based on  
6 the foundation allowance of the educating district if the educating  
7 district's foundation allowance is greater than the foundation  
8 allowance of the pupil's district of residence.

9 (6) Except as otherwise provided in this subsection, for  
10 pupils in membership, other than special education pupils, in a  
11 public school academy, the allocation calculated under this section  
12 is an amount per membership pupil other than special education  
13 pupils in the public school academy equal to the minimum foundation  
14 allowance specified in subsection (1). Notwithstanding section 101,  
15 for a public school academy that begins operations after the pupil  
16 membership count day, the amount per membership pupil calculated  
17 under this subsection must be adjusted by multiplying that amount  
18 per membership pupil by the number of hours of pupil instruction  
19 provided by the public school academy after it begins operations,  
20 as determined by the department, divided by the minimum number of  
21 hours of pupil instruction required under section 101(3). The  
22 result of this calculation must not exceed the amount per  
23 membership pupil otherwise calculated under this subsection.

24 (7) Except as otherwise provided in this subsection, for  
25 pupils in membership, other than special education pupils, in a  
26 community district, the allocation calculated under this section is  
27 an amount per membership pupil other than special education pupils  
28 in the community district equal to the foundation allowance of the  
29 qualifying school district, as described in section 12b of the

1 revised school code, MCL 380.12b, that is located within the same  
2 geographic area as the community district.

3 (8) Subject to subsection (4), for a district that is formed  
4 or reconfigured after June 1, 2002 by consolidation of 2 or more  
5 districts or by annexation, the resulting district's foundation  
6 allowance under this section beginning after the effective date of  
7 the consolidation or annexation is the lesser of the sum of the  
8 average of the foundation allowances of each of the original or  
9 affected districts, calculated as provided in this section,  
10 weighted as to the percentage of pupils in total membership in the  
11 resulting district who reside in the geographic area of each of the  
12 original or affected districts plus \$100.00 or the highest  
13 foundation allowance among the original or affected districts. This  
14 subsection does not apply to a receiving district unless there is a  
15 subsequent consolidation or annexation that affects the district.

16 (9) The department shall round each fraction used in making  
17 calculations under this section to the fourth decimal place and  
18 shall round the dollar amount of an increase in the target  
19 foundation allowance to the nearest whole dollar.

20 (10) State payments related to payment of the foundation  
21 allowance for a special education pupil are not calculated under  
22 this section but are instead calculated under section 51a.

23 (11) To assist the legislature in determining the target  
24 foundation allowance for the subsequent fiscal year, each revenue  
25 estimating conference conducted under section 367b of the  
26 management and budget act, 1984 PA 431, MCL 18.1367b, must  
27 calculate a pupil membership factor, a revenue adjustment factor,  
28 and an index as follows:

29 (a) The pupil membership factor is computed by dividing the

1 estimated membership in the school year ending in the current  
2 fiscal year, excluding intermediate district membership, by the  
3 estimated membership for the school year ending in the subsequent  
4 fiscal year, excluding intermediate district membership. If a  
5 consensus membership factor is not determined at the revenue  
6 estimating conference, the principals of the revenue estimating  
7 conference shall report their estimates to the house and senate  
8 subcommittees responsible for school aid appropriations not later  
9 than 7 days after the conclusion of the revenue conference.

10 (b) The revenue adjustment factor is computed by dividing the  
11 sum of the estimated total state school aid fund revenue for the  
12 subsequent fiscal year plus the estimated total state school aid  
13 fund revenue for the current fiscal year, adjusted for any change  
14 in the rate or base of a tax the proceeds of which are deposited in  
15 that fund and excluding money transferred into that fund from the  
16 countercyclical budget and economic stabilization fund under the  
17 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by  
18 the sum of the estimated total school aid fund revenue for the  
19 current fiscal year plus the estimated total state school aid fund  
20 revenue for the immediately preceding fiscal year, adjusted for any  
21 change in the rate or base of a tax the proceeds of which are  
22 deposited in that fund. If a consensus revenue factor is not  
23 determined at the revenue estimating conference, the principals of  
24 the revenue estimating conference shall report their estimates to  
25 the house and senate subcommittees responsible for state school aid  
26 appropriations not later than 7 days after the conclusion of the  
27 revenue conference.

28 (c) The index is calculated by multiplying the pupil  
29 membership factor by the revenue adjustment factor. If a consensus

1 index is not determined at the revenue estimating conference, the  
2 principals of the revenue estimating conference shall report their  
3 estimates to the house and senate subcommittees responsible for  
4 ~~state~~-school aid appropriations not later than 7 days after the  
5 conclusion of the revenue conference.

6 (12) Payments to districts and public school academies are not  
7 made under this section. Rather, the calculations under this  
8 section are used to determine the amount of state payments under  
9 section 22b.

10 (13) If an amendment to section 2 of article VIII of the state  
11 constitution of 1963 allowing state aid to some or all nonpublic  
12 schools is approved by the voters of this state, each foundation  
13 allowance or per-pupil payment calculation under this section may  
14 be reduced.

15 (14) As used in this section:

16 (a) "Certified mills" means the lesser of 18 mills or the  
17 number of mills of school operating taxes levied by the district in  
18 1993-94.

19 (b) "Combined state and local revenue" means the aggregate of  
20 the district's state school aid received by or paid on behalf of  
21 the district under this section and the district's local school  
22 operating revenue.

23 (c) "Combined state and local revenue per membership pupil"  
24 means the district's combined state and local revenue divided by  
25 the district's membership excluding special education pupils.

26 (d) "Current fiscal year" means the fiscal year for which a  
27 particular calculation is made.

28 (e) "Dissolved district" means a district that loses its  
29 organization, has its territory attached to 1 or more other

1 districts, and is dissolved as provided under section 12 of the  
2 revised school code, MCL 380.12.

3 (f) "Immediately preceding fiscal year" means the fiscal year  
4 immediately preceding the current fiscal year.

5 (g) "Local portion of the district's foundation allowance"  
6 means an amount that is equal to the difference between (the sum of  
7 the product of the taxable value per membership pupil of all  
8 property in the district that is nonexempt property times the  
9 district's certified mills and, for a district with certified mills  
10 exceeding 12, the product of the taxable value per membership pupil  
11 of property in the district that is commercial personal property  
12 times the certified mills minus 12 mills) and (the quotient of the  
13 product of the captured assessed valuation under tax increment  
14 financing acts times the district's certified mills divided by the  
15 district's membership excluding special education pupils).

16 (h) "Local school operating revenue" means school operating  
17 taxes levied under section 1211 of the revised school code, MCL  
18 380.1211. For a receiving district, if school operating taxes are  
19 to be levied on behalf of a dissolved district that has been  
20 attached in whole or in part to the receiving district to satisfy  
21 debt obligations of the dissolved district under section 12 of the  
22 revised school code, MCL 380.12, local school operating revenue  
23 does not include school operating taxes levied within the  
24 geographic area of the dissolved district.

25 (i) "Local school operating revenue per membership pupil"  
26 means a district's local school operating revenue divided by the  
27 district's membership excluding special education pupils.

28 (j) "Membership" means the definition of that term under  
29 section 6 as in effect for the particular fiscal year for which a

1 particular calculation is made.

2 (k) "Nonexempt property" means property that is not a  
3 principal residence, qualified agricultural property, qualified  
4 forest property, supportive housing property, industrial personal  
5 property, commercial personal property, or property occupied by a  
6 public school academy.

7 (l) "Principal residence", "qualified agricultural property",  
8 "qualified forest property", "supportive housing property",  
9 "industrial personal property", and "commercial personal property"  
10 mean those terms as defined in section 1211 of the revised school  
11 code, MCL 380.1211.

12 (m) "Receiving district" means a district to which all or part  
13 of the territory of a dissolved district is attached under section  
14 12 of the revised school code, MCL 380.12.

15 (n) "School operating purposes" means the purposes included in  
16 the operation costs of the district as prescribed in sections 7 and  
17 18 and purposes authorized under section 1211 of the revised school  
18 code, MCL 380.1211.

19 (o) "School operating taxes" means local ad valorem property  
20 taxes levied under section 1211 of the revised school code, MCL  
21 380.1211, and retained for school operating purposes.

22 (p) "Tax increment financing acts" means parts 2, 3, 4, and 6  
23 of the recodified tax increment financing act, 2018 PA 57, MCL  
24 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield  
25 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

26 (q) "Taxable value per membership pupil" means taxable value,  
27 as certified by the county treasurer and reported to the  
28 department, for the calendar year ending in the current state  
29 fiscal year divided by the district's membership excluding special

1 education pupils for the school year ending in the current state  
2 fiscal year.

3       Sec. 20d. In making the final determination required under  
4 former section 20a of a district's combined state and local revenue  
5 per membership pupil in 1993-94 and in making calculations under  
6 section 20 for ~~2020-2021~~, **2021-2022**, the department and the  
7 department of treasury shall comply with all of the following:

8       (a) For a district that had combined state and local revenue  
9 per membership pupil in the 1994-95 fiscal year of \$6,500.00 or  
10 more and served as a fiscal agent for a state board designated area  
11 vocational education center in the 1993-94 school year, total state  
12 school aid received by or paid on behalf of the district under this  
13 act in 1993-94 excludes payments made under former section 146 and  
14 under section 147 on behalf of the district's employees who  
15 provided direct services to the area vocational education center.  
16 Not later than June 30, 1996, the department shall make an  
17 adjustment under this subdivision to the district's combined state  
18 and local revenue per membership pupil in the 1994-95 fiscal year  
19 and the department of treasury shall make a final certification of  
20 the number of mills that may be levied by the district under  
21 section 1211 of the revised school code, MCL 380.1211, as a result  
22 of the adjustment under this subdivision.

23       (b) If a district had an adjustment made to its 1993-94 total  
24 state school aid that excluded payments made under former section  
25 146 and under section 147 on behalf of the district's employees who  
26 provided direct services for intermediate district center programs  
27 operated by the district under **former section 51 and** sections ~~51~~  
28 **51a** to 56, if nonresident pupils attending the center programs were  
29 included in the district's membership for purposes of calculating

1 the combined state and local revenue per membership pupil for 1993-  
 2 94, and if there is a signed agreement by all constituent districts  
 3 of the intermediate district agreeing to an adjustment under this  
 4 subdivision, the department shall calculate the foundation  
 5 allowances for 1995-96 and 1996-97 of all districts that had pupils  
 6 attending the intermediate district center program operated by the  
 7 district that had the adjustment as if their combined state and  
 8 local revenue per membership pupil for 1993-94 included resident  
 9 pupils attending the center program and excluded nonresident pupils  
 10 attending the center program.

11 Sec. 20f. (1) From the ~~funds~~**state school aid fund money**  
 12 appropriated in section 11, there is allocated an amount not to  
 13 exceed \$18,000,000.00 for ~~2020-2021~~**2021-2022** for payments to  
 14 eligible districts under this section.

15 (2) The funding under this subsection is from the allocation  
 16 under subsection (1). A district is eligible for funding under this  
 17 subsection if the district received a payment under this section as  
 18 it was in effect for 2013-2014. A district was eligible for funding  
 19 in 2013-2014 if the sum of the following was less than \$5.00:

20 (a) The increase in the district's foundation allowance or  
 21 per-pupil payment as calculated under section 20 from 2012-2013 to  
 22 2013-2014.

23 (b) The district's equity payment per membership pupil under  
 24 former section 22c for 2013-2014.

25 (c) The quotient of the district's allocation under section  
 26 147a for 2012-2013 divided by the district's membership pupils for  
 27 2012-2013 minus the quotient of the district's allocation under  
 28 section 147a for 2013-2014 divided by the district's membership  
 29 pupils for 2013-2014.

1           (3) The amount allocated to each eligible district under  
2 subsection (2) is an amount per membership pupil equal to the  
3 amount per membership pupil the district received under this  
4 section in 2013-2014.

5           (4) The funding under this subsection is from the allocation  
6 under subsection (1). A district is eligible for funding under this  
7 subsection if the sum of the following is less than \$25.00:

8           (a) The increase in the district's foundation allowance or  
9 per-pupil payment as calculated under section 20 from 2014-2015 to  
10 2015-2016.

11           (b) The decrease in the district's best practices per-pupil  
12 funding under former section 22f from 2014-2015 to 2015-2016.

13           (c) The decrease in the district's pupil performance per-pupil  
14 funding under former section 22j from 2014-2015 to 2015-2016.

15           (d) The quotient of the district's allocation under section  
16 31a for 2015-2016 divided by the district's membership pupils for  
17 2015-2016 minus the quotient of the district's allocation under  
18 section 31a for 2014-2015 divided by the district's membership  
19 pupils for 2014-2015.

20           (5) The amount allocated to each eligible district under  
21 subsection (4) is an amount per membership pupil equal to \$25.00  
22 minus the sum of the following:

23           (a) The increase in the district's foundation allowance or  
24 per-pupil payment as calculated under section 20 from 2014-2015 to  
25 2015-2016.

26           (b) The decrease in the district's best practices per-pupil  
27 funding under former section 22f from 2014-2015 to 2015-2016.

28           (c) The decrease in the district's pupil performance per-pupil  
29 funding under former section 22j from 2014-2015 to 2015-2016.

1 (d) The quotient of the district's allocation under section  
 2 31a for 2015-2016 divided by the district's membership pupils for  
 3 2015-2016 minus the quotient of the district's allocation under  
 4 section 31a for 2014-2015 divided by the district's membership  
 5 pupils for 2014-2015.

6 (6) If the allocation under subsection (1) is insufficient to  
 7 fully fund payments under subsections (3) and (5) as otherwise  
 8 calculated under this section, the department shall prorate  
 9 payments under this section on an equal per-pupil basis.

10 Sec. 21f. (1) ~~Except as otherwise provided under subsection~~  
 11 ~~(15), a~~ **A** primary district shall enroll an eligible pupil in  
 12 virtual courses in accordance with the provisions of this ~~section.~~  
 13 ~~Except as otherwise provided under subsection (15), a~~ **subsection**  
 14 **and subsections (2) to (13).** A primary district shall not offer a  
 15 virtual course to an eligible pupil unless the virtual course is  
 16 published in the primary district's catalog of board-approved  
 17 courses, **in the catalog of board-approved courses of the**  
 18 **intermediate district in which the primary district is located,** or  
 19 in ~~the~~ **a** statewide catalog of virtual courses maintained by the  
 20 Michigan Virtual University pursuant to section 98. **a qualifying**  
 21 **statewide educational institution.** The primary district shall also  
 22 **ensure that its catalog of board-approved courses described in this**  
 23 **subsection is made available to pupils in the same form and manner**  
 24 **that its catalog of in-person courses is made available to pupils**  
 25 **and shall** provide on its publicly accessible website a link to the  
 26 statewide ~~catalog~~ **catalogs** of virtual courses maintained by the  
 27 Michigan Virtual University. ~~Except as otherwise provided under~~  
 28 ~~subsection (15), unless~~ **each qualifying statewide educational**  
 29 **institution. Unless** the pupil is at least age 18 or is an

1 emancipated minor, a pupil must not be enrolled in a virtual course  
2 without the consent of the pupil's parent or legal guardian.

3 (2) Subject to subsection (3), ~~and except as otherwise~~  
4 ~~provided under subsection (15),~~ a primary district shall enroll an  
5 eligible pupil in up to 2 virtual courses as requested by the pupil  
6 during an academic term, semester, or trimester. **To the extent**  
7 **practicable, a primary district shall ensure that the enrollment**  
8 **process for a virtual course is the same as the enrollment process**  
9 **for an in-person course offered by the primary district.**

10 (3) ~~Except as otherwise provided under subsection (15), a~~ **A**  
11 pupil may be enrolled in more than 2 virtual courses in a specific  
12 academic term, semester, or trimester if ~~all~~ **any** of the following  
13 ~~conditions are met:~~ **apply:**

14 (a) **All of the following conditions are met:**

15 (i) The primary district has determined that it is in the best  
16 interest of the pupil.

17 (ii) ~~(b)~~ The pupil agrees with the recommendation of the  
18 primary district.

19 (iii) ~~(c)~~ The primary district, in collaboration with the pupil,  
20 has developed an education development plan, in a form and manner  
21 specified by the department, that is kept on file by the **primary**  
22 district. This subdivision does not apply to a pupil enrolled as a  
23 part-time pupil under section 166b.

24 (b) **The pupil has exhibited an academic deficiency by testing**  
25 **below grade level in 1 or more subjects on the Michigan student**  
26 **test of educational progress (M-STEP) or a successor state**  
27 **assessment, the PSAT or SAT, or a benchmark assessment administered**  
28 **by the primary district and the virtual course or courses are**  
29 **designed to remedy this deficiency.**

1           (4) ~~Except as otherwise provided under subsection (15), if~~ **If**  
 2 the number of applicants eligible for acceptance in a virtual  
 3 course does not exceed the capacity of the provider to provide the  
 4 virtual course, the provider shall accept for enrollment all of the  
 5 applicants eligible for acceptance. If the number of applicants  
 6 exceeds the provider's capacity to provide the virtual course, the  
 7 provider shall use a random draw system, subject to the need to  
 8 abide by state and federal antidiscrimination laws and court  
 9 orders. A primary district that is also a provider shall determine  
 10 whether or not it has the capacity to accept applications for  
 11 enrollment from nonresident applicants in virtual courses and may  
 12 use that limit as the reason for refusal to enroll a nonresident  
 13 applicant.

14           (5) ~~Except as otherwise provided under subsection (15), a~~ **A**  
 15 primary district may not establish additional requirements beyond  
 16 those specified in this subsection that would prohibit a pupil from  
 17 taking a virtual course. ~~Except as otherwise provided under~~  
 18 ~~subsection (15), a~~ **A** pupil's primary district may deny the pupil  
 19 enrollment in a virtual course if any of the following apply, as  
 20 determined by the district:

21           (a) The pupil is enrolled in any of grades K to 5.

22           (b) The pupil has previously gained the credits that would be  
 23 provided from the completion of the virtual course.

24           (c) The virtual course is not capable of generating academic  
 25 credit.

26           (d) The virtual course is inconsistent with the **pupil's**  
 27 remaining graduation requirements. ~~or career interests of the~~  
 28 ~~pupil.~~

29           (e) The pupil has not completed the prerequisite coursework

1 for the requested virtual course or has not demonstrated  
2 proficiency in the prerequisite course content.

3 (f) ~~The~~ **Except for a pupil who is enrolling in a virtual**  
4 **course intended to remedy an academic deficiency as described in**  
5 **subsection (3) (b), the** pupil has failed a previous virtual course  
6 in the same subject during the 2 most recent academic years.

7 ~~(g) The virtual course is of insufficient quality or rigor. A~~  
8 ~~primary district that denies a pupil enrollment request for this~~  
9 ~~reason shall enroll the pupil in a virtual course in the same or a~~  
10 ~~similar subject that the primary district determines is of~~  
11 ~~acceptable rigor and quality.~~

12 (g) ~~(h)~~ The cost of the virtual course exceeds the amount  
13 identified in subsection (10), unless the pupil or the pupil's  
14 parent or legal guardian agrees to pay the cost that exceeds this  
15 amount.

16 (h) ~~(i)~~ The request for a virtual course enrollment did not  
17 occur within the same timelines established by the primary district  
18 for enrollment and schedule changes for regular courses.

19 (i) ~~(j)~~ The request for a virtual course enrollment was not  
20 made in the academic term, semester, trimester, or summer preceding  
21 the enrollment. This subdivision does not apply to a request made  
22 by a pupil who is newly enrolled in the primary district.

23 (6) ~~Except as otherwise provided under subsection (15), if~~ **If**  
24 a pupil is denied enrollment in a virtual course by the pupil's  
25 primary district, the primary district shall provide written  
26 notification to the pupil of the denial, the reason or reasons for  
27 the denial under subsection (5), and a description of the appeal  
28 process. The pupil may appeal the denial by submitting a letter to  
29 the superintendent of the intermediate district in which the

1 pupil's primary district is located. The letter of appeal must  
2 include the reason provided by the primary district for not  
3 enrolling the pupil and the reason why the pupil is claiming that  
4 the enrollment should be approved. The intermediate district  
5 superintendent or designee shall respond to the appeal within 5  
6 days after it is received. If the intermediate district  
7 superintendent or designee determines that the denial of enrollment  
8 does not meet 1 or more of the reasons specified in subsection (5),  
9 the primary district shall enroll the pupil in the virtual course.

10 (7) ~~Except as otherwise provided under subsection (15), to~~ **To**  
11 provide a virtual course to an eligible pupil under this section, a  
12 provider must do all of the following:

13 (a) Ensure that the virtual course has been published in the  
14 pupil's primary district's catalog of board-approved courses,  
15 **published in the catalog of board-approved courses of the**  
16 **intermediate district in which the pupil's primary district is**  
17 **located,** or published in ~~the~~ **a** statewide catalog of virtual courses  
18 maintained by ~~the Michigan Virtual University.~~ **a qualifying**  
19 **statewide educational institution. For the purposes of this**  
20 **section, a district, intermediate district, or qualifying statewide**  
21 **educational institution is responsible for ensuring that a virtual**  
22 **course is of a quality or rigor at least equal to or greater than**  
23 **that of an in-person course offered by the district, intermediate**  
24 **district, or qualifying statewide educational institution before**  
25 **offering the virtual course in its catalog of courses described in**  
26 **this subsection.**

27 (b) For a virtual course in a core academic subject or for a  
28 virtual course that would fulfill 1 or more of the credit  
29 requirements of the Michigan merit standard under section 1278a or

1 1278b of the revised school code, MCL 380.1278a or 380.1278b,  
2 ensure that the virtual course is aligned to the appropriate state  
3 content standards established by the department.

4 (c) ~~(b)~~—Assign to each pupil a teacher of record and provide  
5 the primary district with the personnel identification code  
6 assigned by the center for the teacher of record. If the provider  
7 is a community college **or state public university**, the virtual  
8 course must be taught by an instructor employed by or contracted  
9 through the providing community college **or state public university**.

10 (d) ~~(e)~~—Offer the virtual course on an open entry and exit  
11 method, or aligned to a semester, trimester, or accelerated  
12 academic term format.

13 (e) ~~(d)~~—If the virtual course is offered to eligible pupils in  
14 more than 1 district, the following additional requirements must  
15 also be met:

16 (i) Provide the Michigan Virtual University **described in**  
17 **section 98** with a course syllabus that meets the definition under  
18 subsection ~~(14)(g)~~ **(14)(j)** in a form and manner prescribed by the  
19 Michigan Virtual University for inclusion in a statewide catalog of  
20 virtual courses.

21 (ii) Not later than October 1 of each fiscal year, provide the  
22 Michigan Virtual University **described in section 98** with an  
23 aggregated count of enrollments for each virtual course the  
24 provider delivered to pupils under this section during the  
25 immediately preceding school year, and the number of enrollments in  
26 which the pupil earned 60% or more of the total course points for  
27 each virtual course.

28 (8) ~~Except as otherwise provided under subsection (15), to~~ **To**  
29 provide a virtual course under this section, a community college

1 ~~shall or state public university must~~ ensure that each virtual  
 2 course it provides under this section generates postsecondary  
 3 credit.

4 ~~(9) Except as otherwise provided under subsection (15), for~~  
 5 **For** any virtual course a pupil enrolls in under this section, the  
 6 pupil's primary district must assign to the pupil a mentor and  
 7 shall supply the provider with the mentor's contact information.

8 ~~(10) Except as otherwise provided under subsection (15), for~~  
 9 **For** a pupil enrolled in 1 or more virtual courses, the primary  
 10 district shall use foundation allowance or per-pupil funds  
 11 calculated under section 20 to pay for the expenses associated with  
 12 the virtual course or courses. ~~Except as otherwise provided under~~  
 13 ~~subsection (15), in this subsection,~~ a primary district is not  
 14 required to pay toward the cost of a virtual course an amount that  
 15 exceeds 6.67% of the minimum foundation allowance for the current  
 16 fiscal year as calculated under section 20. **However, for a pupil**  
 17 **enrolled in a virtual course that is provided by a community**  
 18 **college or state public university, payment for that course must be**  
 19 **an amount equal to the lesser of the amount of the eligible charges**  
 20 **or the prorated percentage of the statewide pupil-weighted average**  
 21 **foundation allowance, as calculated under this subsection and**  
 22 **section 20, for all districts for the fiscal year that begins on**  
 23 **October 1 of the academic year of enrollment in the virtual course,**  
 24 **with the proration based on the proportion of the school year that**  
 25 **the pupil is enrolled in the virtual course. In the calculation of**  
 26 **the statewide pupil-weighted average foundation allowance for the**  
 27 **purposes of this subsection, if a district's foundation allowance**  
 28 **is above the target foundation allowance under section 20, then the**  
 29 **district's foundation allowance is considered to be the target**

1 foundation allowance. As used in this subsection, "eligible  
 2 charges" means tuition and mandatory course fees, material fees,  
 3 and registration fees required by the community college or state  
 4 public university for the virtual course, and includes any late  
 5 fees charged by the community college or state public university  
 6 due to the primary district's failure to make a required payment.  
 7 Eligible charges does not include transportation or parking costs  
 8 or activity fees.

9 (11) A virtual learning pupil has the same rights and access  
 10 to technology in his or her primary district's school facilities as  
 11 all other pupils enrolled in the pupil's primary district. The  
 12 department shall establish standards for hardware, software, and  
 13 internet access for pupils who are enrolled in more than 2 virtual  
 14 courses under this section in an academic term, semester, or  
 15 trimester taken at a location other than a school facility.

16 (12) If a pupil successfully completes a virtual course, as  
 17 determined by the pupil's primary district, the pupil's primary  
 18 district shall grant appropriate academic credit for completion of  
 19 the course and shall count that credit toward completion of  
 20 graduation and subject area requirements. A pupil's school record  
 21 and transcript must identify the virtual course title as it appears  
 22 in the virtual course syllabus.

23 (13) The enrollment of a pupil in 1 or more virtual courses  
 24 must not result in a pupil being counted as more than 1.0 full-time  
 25 equivalent pupils under this article. ~~Except as otherwise provided~~  
 26 ~~under subsection (15), the~~ **The** minimum requirements to count the  
 27 pupil in membership are those established by the pupil accounting  
 28 manual as it was in effect for the 2015-2016 school year or as  
 29 subsequently amended by the department if the department notifies

1 the legislature about the proposed amendment at least 60 days  
2 before the amendment becomes effective.

3 (14) As used in this section:

4 (a) **"Community college" means a community college organized**  
5 **under the community college act of 1966, 1966 PA 331, MCL 389.1 to**  
6 **389.195.**

7 (b) ~~(a)~~—"Instructor" means an individual who is employed by or  
8 contracted through a community college **or an individual who is**  
9 **employed by or contracted through a state public university.**

10 (c) ~~(b)~~—"Mentor" means a professional employee of the primary  
11 district who monitors the pupil's progress, ensures the pupil has  
12 access to needed technology, is available for assistance, and  
13 ensures access to the teacher of record. A mentor may also serve as  
14 the teacher of record if the primary district is the provider for  
15 the virtual course and the mentor meets the requirements under  
16 subdivision ~~(e)~~. **(h)**.

17 (d) ~~(e)~~—"Primary district" means the district that enrolls the  
18 pupil and reports the pupil for pupil membership purposes.

19 (e) ~~(d)~~—"Provider" means ~~the~~ **a district, including a district**  
20 **that operates as a cyber school as that term is defined in section**  
21 **551 of the revised school code, MCL 380.551, an intermediate**  
22 **district, or community college, state public university, or other**  
23 **person or entity** that the primary district pays to provide the  
24 virtual course. ~~or the Michigan Virtual University if it is~~  
25 ~~providing the virtual course. Beginning on the first day of the~~  
26 ~~2020-2021 school year through August 31, 2021, "provider" also~~  
27 ~~includes any other institution or individual that the primary~~  
28 ~~district pays to provide the virtual course.~~

29 (f) **"Qualifying statewide educational institution" means the**

1 Michigan Virtual University described in section 98 or a state  
2 public university.

3 (g) "State public university" means a university described in  
4 section 4, 5, or 6 of article VIII of the state constitution of  
5 1963.

6 (h) ~~(e)~~—"Teacher of record" means a teacher who meets all of  
7 the following:

8 (i) Holds a valid Michigan teaching certificate or a teaching  
9 permit recognized by the department.

10 (ii) If applicable, is endorsed in the subject area and grade  
11 of the virtual course.

12 (iii) Is responsible for providing instruction, determining  
13 instructional methods for each pupil, diagnosing learning needs,  
14 assessing pupil learning, prescribing intervention strategies and  
15 modifying lessons, reporting outcomes, and evaluating the effects  
16 of instruction and support strategies.

17 (iv) Has a personnel identification code provided by the  
18 center.

19 (v) If the provider is a community college, is an instructor  
20 employed by or contracted through the providing community college.

21 **(vi) If the provider is a state public university, is a regular  
22 or adjunct member of the state public university's faculty.**

23 (i) ~~(f)~~—"Virtual course" means a course of study that is  
24 capable of generating a credit or a grade and that is provided in  
25 an interactive learning environment where the majority of the  
26 curriculum is delivered using the internet and in which pupils may  
27 be separated from their instructor or teacher of record by time or  
28 location, or both.

29 (j) ~~(g)~~—"Virtual course syllabus" means a document that

1 includes all of the following:

2 (i) An alignment document detailing how the course meets  
3 applicable ~~state~~ standards **established by the department** or, if the  
4 ~~state does not have state~~ **department has not established** standards  
5 **for that course or subject area**, nationally recognized standards.

6 (ii) The virtual course content outline.

7 (iii) The virtual course required assessments.

8 (iv) The virtual course prerequisites.

9 (v) Expectations for actual instructor or teacher of record  
10 contact time with the virtual learning pupil and other  
11 communications between a pupil and the instructor or teacher of  
12 record.

13 (vi) Academic support available to the virtual learning pupil.

14 (vii) The virtual course learning outcomes and objectives.

15 (viii) The name of the institution or organization providing the  
16 virtual content.

17 (ix) The name of the institution or organization providing the  
18 instructor or teacher of record.

19 (x) The course titles assigned by the provider and the course  
20 titles and course codes from the National Center for Education  
21 Statistics (NCES) school codes for the exchange of data (SCED).

22 (xi) The number of eligible pupils that will be accepted by the  
23 provider in the virtual course. A primary district that is also the  
24 provider may limit the enrollment to those pupils enrolled in the  
25 primary district.

26 (xii) The results of the virtual course quality review using  
27 the guidelines and model review process published by the Michigan  
28 Virtual University.

1           (k) ~~(h)~~ "Virtual learning pupil" means a pupil enrolled in 1  
2 or more virtual courses.

3           ~~(15) The requirements under this section concerning virtual~~  
4 ~~courses do not apply to virtual courses offered as part of pandemic~~  
5 ~~learning. As used in this subsection, "pandemic learning" means a~~  
6 ~~mode of pupil instruction provided as a result of the COVID-19~~  
7 ~~pandemic.~~

8           Sec. 22a. (1) From the ~~appropriation~~ **state school aid fund**  
9 **money appropriated** in section 11, there is allocated an amount not  
10 to exceed ~~\$4,916,000,000.00 for 2019-2020 and there is allocated an~~  
11 ~~amount not to exceed \$4,880,500,000.00~~ **\$4,729,000,000.00** for 2020-  
12 ~~2021-2021-2022~~ for payments to districts and qualifying public  
13 school academies to guarantee each district and qualifying public  
14 school academy an amount equal to its 1994-95 total state and local  
15 per pupil revenue for school operating purposes under section 11 of  
16 article IX of the state constitution of 1963. Pursuant to section  
17 11 of article IX of the state constitution of 1963, this guarantee  
18 does not apply to a district in a year in which the district levies  
19 a millage rate for school district operating purposes less than it  
20 levied in 1994. However, subsection (2) applies to calculating the  
21 payments under this section. Funds allocated under this section  
22 that are not expended in the fiscal year for which they were  
23 allocated, as determined by the department, may be used to  
24 supplement the allocations under sections 22b and 51c to fully fund  
25 those allocations for the same fiscal year. For each fund transfer  
26 as described in the immediately preceding sentence that occurs, the  
27 state budget director shall send notification of the transfer to  
28 the house and senate appropriations subcommittees on state school  
29 aid and the house and senate fiscal agencies by not later than 14

1 calendar days after the transfer occurs.

2 (2) To ensure that a district receives an amount equal to the  
3 district's 1994-95 total state and local per pupil revenue for  
4 school operating purposes, there is allocated to each district a  
5 state portion of the district's 1994-95 foundation allowance in an  
6 amount calculated as follows:

7 (a) Except as otherwise provided in this subsection, the state  
8 portion of a district's 1994-95 foundation allowance is an amount  
9 equal to the district's 1994-95 foundation allowance or \$6,500.00,  
10 whichever is less, minus the difference between the sum of the  
11 product of the taxable value per membership pupil of all property  
12 in the district that is nonexempt property times the district's  
13 certified mills and, for a district with certified mills exceeding  
14 12, the product of the taxable value per membership pupil of  
15 property in the district that is commercial personal property times  
16 the certified mills minus 12 mills and the quotient of the ad  
17 valorem property tax revenue of the district captured under tax  
18 increment financing acts divided by the district's membership. For  
19 a district that has a millage reduction required under section 31  
20 of article IX of the state constitution of 1963, the department  
21 shall calculate the state portion of the district's foundation  
22 allowance as if that reduction did not occur. For a receiving  
23 district, if school operating taxes are to be levied on behalf of a  
24 dissolved district that has been attached in whole or in part to  
25 the receiving district to satisfy debt obligations of the dissolved  
26 district under section 12 of the revised school code, MCL 380.12,  
27 taxable value per membership pupil of all property in the receiving  
28 district that is nonexempt property and taxable value per  
29 membership pupil of property in the receiving district that is

1 commercial personal property do not include property within the  
2 geographic area of the dissolved district; ad valorem property tax  
3 revenue of the receiving district captured under tax increment  
4 financing acts does not include ad valorem property tax revenue  
5 captured within the geographic boundaries of the dissolved district  
6 under tax increment financing acts; and certified mills do not  
7 include the certified mills of the dissolved district. For a  
8 community district, the department shall reduce the allocation as  
9 otherwise calculated under this section by an amount equal to the  
10 amount of local school operating tax revenue that would otherwise  
11 be due to the community district if not for the operation of  
12 section 386 of the revised school code, MCL 380.386, and the amount  
13 of this reduction is offset by the increase in funding under  
14 section 22b(2).

15 (b) For a district that had a 1994-95 foundation allowance  
16 greater than \$6,500.00, the state payment under this subsection is  
17 the sum of the amount calculated under subdivision (a) plus the  
18 amount calculated under this subdivision. The amount calculated  
19 under this subdivision must be equal to the difference between the  
20 district's 1994-95 foundation allowance minus \$6,500.00 and the  
21 current year hold harmless school operating taxes per pupil. If the  
22 result of the calculation under subdivision (a) is negative, the  
23 negative amount is an offset against any state payment calculated  
24 under this subdivision. If the result of a calculation under this  
25 subdivision is negative, there is not a state payment or a  
26 deduction under this subdivision. The taxable values per membership  
27 pupil used in the calculations under this subdivision are as  
28 adjusted by ad valorem property tax revenue captured under tax  
29 increment financing acts divided by the district's membership. For

1 a receiving district, if school operating taxes are to be levied on  
2 behalf of a dissolved district that has been attached in whole or  
3 in part to the receiving district to satisfy debt obligations of  
4 the dissolved district under section 12 of the revised school code,  
5 MCL 380.12, ad valorem property tax revenue captured under tax  
6 increment financing acts do not include ad valorem property tax  
7 revenue captured within the geographic boundaries of the dissolved  
8 district under tax increment financing acts.

9 (3) ~~Beginning in 2003-2004, for~~ **For** pupils in membership in a  
10 qualifying public school academy, there is allocated under this  
11 section to the authorizing body that is the fiscal agent for the  
12 qualifying public school academy for forwarding to the qualifying  
13 public school academy an amount equal to the 1994-95 per pupil  
14 payment to the qualifying public school academy under section 20.

15 (4) A district or qualifying public school academy may use  
16 funds allocated under this section in conjunction with any federal  
17 funds for which the district or qualifying public school academy  
18 otherwise would be eligible.

19 (5) Except as otherwise provided in this subsection, for a  
20 district that is formed or reconfigured after June 1, 2000 by  
21 consolidation of 2 or more districts or by annexation, the  
22 resulting district's 1994-95 foundation allowance under this  
23 section beginning after the effective date of the consolidation or  
24 annexation is the average of the 1994-95 foundation allowances of  
25 each of the original or affected districts, calculated as provided  
26 in this section, weighted as to the percentage of pupils in total  
27 membership in the resulting district in the fiscal year in which  
28 the consolidation takes place who reside in the geographic area of  
29 each of the original districts. If an affected district's 1994-95

1 foundation allowance is less than the 1994-95 basic foundation  
2 allowance, the amount of that district's 1994-95 foundation  
3 allowance is considered for the purpose of calculations under this  
4 subsection to be equal to the amount of the 1994-95 basic  
5 foundation allowance. This subsection does not apply to a receiving  
6 district unless there is a subsequent consolidation or annexation  
7 that affects the district.

8 (6) Payments under this section are subject to section 25g.

9 (7) As used in this section:

10 (a) "1994-95 foundation allowance" means a district's 1994-95  
11 foundation allowance calculated and certified by the department of  
12 treasury or the superintendent under former section 20a as enacted  
13 in 1993 PA 336 and as amended by 1994 PA 283.

14 (b) "Certified mills" means the lesser of 18 mills or the  
15 number of mills of school operating taxes levied by the district in  
16 1993-94.

17 (c) "Current fiscal year" means the fiscal year for which a  
18 particular calculation is made.

19 (d) "Current year hold harmless school operating taxes per  
20 pupil" means the per pupil revenue generated by multiplying a  
21 district's 1994-95 hold harmless millage by the district's current  
22 year taxable value per membership pupil. For a receiving district,  
23 if school operating taxes are to be levied on behalf of a dissolved  
24 district that has been attached in whole or in part to the  
25 receiving district to satisfy debt obligations of the dissolved  
26 district under section 12 of the revised school code, MCL 380.12,  
27 taxable value per membership pupil does not include the taxable  
28 value of property within the geographic area of the dissolved  
29 district.

1           (e) "Dissolved district" means a district that loses its  
2 organization, has its territory attached to 1 or more other  
3 districts, and is dissolved as provided under section 12 of the  
4 revised school code, MCL 380.12.

5           (f) "Hold harmless millage" means, for a district with a 1994-  
6 95 foundation allowance greater than \$6,500.00, the number of mills  
7 by which the exemption from the levy of school operating taxes on a  
8 principal residence, qualified agricultural property, qualified  
9 forest property, supportive housing property, industrial personal  
10 property, commercial personal property, and property occupied by a  
11 public school academy could be reduced as provided in section 1211  
12 of the revised school code, MCL 380.1211, and the number of mills  
13 of school operating taxes that could be levied on all property as  
14 provided in section 1211(2) of the revised school code, MCL  
15 380.1211, as certified by the department of treasury for the 1994  
16 tax year. For a receiving district, if school operating taxes are  
17 to be levied on behalf of a dissolved district that has been  
18 attached in whole or in part to the receiving district to satisfy  
19 debt obligations of the dissolved district under section 12 of the  
20 revised school code, MCL 380.12, school operating taxes do not  
21 include school operating taxes levied within the geographic area of  
22 the dissolved district.

23           (g) "Membership" means the definition of that term under  
24 section 6 as in effect for the particular fiscal year for which a  
25 particular calculation is made.

26           (h) "Nonexempt property" means property that is not a  
27 principal residence, qualified agricultural property, qualified  
28 forest property, supportive housing property, industrial personal  
29 property, commercial personal property, or property occupied by a

1 public school academy.

2 (i) "Principal residence", "qualified agricultural property",  
3 "qualified forest property", "supportive housing property",  
4 "industrial personal property", and "commercial personal property"  
5 mean those terms as defined in section 1211 of the revised school  
6 code, MCL 380.1211.

7 (j) "Qualifying public school academy" means a public school  
8 academy that was in operation in the 1994-95 school year and is in  
9 operation in the current fiscal year.

10 (k) "Receiving district" means a district to which all or part  
11 of the territory of a dissolved district is attached under section  
12 12 of the revised school code, MCL 380.12.

13 (l) "School operating taxes" means local ad valorem property  
14 taxes levied under section 1211 of the revised school code, MCL  
15 380.1211, and retained for school operating purposes as defined in  
16 section 20.

17 (m) "Tax increment financing acts" means parts 2, 3, 4, and 6  
18 of the recodified tax increment financing act, 2018 PA 57, MCL  
19 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield  
20 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

21 (n) "Taxable value per membership pupil" means each of the  
22 following divided by the district's membership:

23 (i) For the number of mills by which the exemption from the  
24 levy of school operating taxes on a principal residence, qualified  
25 agricultural property, qualified forest property, supportive  
26 housing property, industrial personal property, commercial personal  
27 property, and property occupied by a public school academy may be  
28 reduced as provided in section 1211 of the revised school code, MCL  
29 380.1211, the taxable value of principal residence, qualified

1 agricultural property, qualified forest property, supportive  
 2 housing property, industrial personal property, commercial personal  
 3 property, and property occupied by a public school academy for the  
 4 calendar year ending in the current fiscal year. For a receiving  
 5 district, if school operating taxes are to be levied on behalf of a  
 6 dissolved district that has been attached in whole or in part to  
 7 the receiving district to satisfy debt obligations of the dissolved  
 8 district under section 12 of the revised school code, MCL 380.12,  
 9 mills do not include mills within the geographic area of the  
 10 dissolved district.

11 (ii) For the number of mills of school operating taxes that may  
 12 be levied on all property as provided in section 1211(2) of the  
 13 revised school code, MCL 380.1211, the taxable value of all  
 14 property for the calendar year ending in the current fiscal year.  
 15 For a receiving district, if school operating taxes are to be  
 16 levied on behalf of a dissolved district that has been attached in  
 17 whole or in part to the receiving district to satisfy debt  
 18 obligations of the dissolved district under section 12 of the  
 19 revised school code, MCL 380.12, school operating taxes do not  
 20 include school operating taxes levied within the geographic area of  
 21 the dissolved district.

22 Sec. 22b. (1) For discretionary nonmandated payments to  
 23 districts under this section, there is allocated for ~~2019-2020 an~~  
 24 ~~amount not to exceed \$4,499,100,000.00 from the state school aid~~  
 25 ~~fund and general fund appropriations in section 11 and an amount~~  
 26 ~~not to exceed \$75,900,000.00 from the community district education~~  
 27 ~~trust fund appropriation in section 11, and there is allocated for~~  
 28 ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$4,488,800,000.00~~  
 29 **\$4,579,000,000.00** from the state school aid fund and general fund

1 appropriations in section 11 and an amount not to exceed  
2 ~~\$77,700,000.00~~ **\$72,000,000.00** from the community district education  
3 trust fund appropriation in section 11. Except for money allocated  
4 under this section from the community district education trust fund  
5 appropriation in section 11, funds allocated under this section  
6 that are not expended in the fiscal year for which they were  
7 allocated, as determined by the department, may be used to  
8 supplement the allocations under sections 22a and 51c to fully fund  
9 those allocations for the same fiscal year. For each fund transfer  
10 as described in the immediately preceding sentence that occurs, the  
11 state budget director shall send notification of the transfer to  
12 the house and senate appropriations subcommittees on state school  
13 aid and the house and senate fiscal agencies by not later than 14  
14 calendar days after the transfer occurs.

15 (2) Subject to subsection (3) and section 296, the allocation  
16 to a district under this section is an amount equal to the sum of  
17 the amounts calculated under sections 20, 51a(2), 51a(3), and  
18 51a(11), minus the sum of the allocations to the district under  
19 sections 22a and 51c. For a community district, the allocation as  
20 otherwise calculated under this section is increased by an amount  
21 equal to the amount of local school operating tax revenue that  
22 would otherwise be due to the community district if not for the  
23 operation of section 386 of the revised school code, MCL 380.386,  
24 and this increase must be paid from the community district  
25 education trust fund allocation in subsection (1) in order to  
26 offset the absence of local school operating revenue in a community  
27 district in the funding of the state portion of the foundation  
28 allowance under section 20(4).

29 (3) In order to receive an allocation under subsection (1),

1 each district must do all of the following:

2 (a) Comply with section 1280b of the revised school code, MCL  
3 380.1280b.

4 (b) Comply with sections 1278a and 1278b of the revised school  
5 code, MCL 380.1278a and 380.1278b.

6 (c) Furnish data and other information required by state and  
7 federal law to the center and the department in the form and manner  
8 specified by the center or the department, as applicable.

9 (d) Comply with section 1230g of the revised school code, MCL  
10 380.1230g.

11 (e) Comply with section 21f.

12 (f) For a district that has entered into a partnership  
13 agreement with the department, comply with section 22p.

14 ~~(g) For a district that offers kindergarten, comply with~~  
15 ~~section 104(4).~~

16 (4) Districts are encouraged to use funds allocated under this  
17 section for the purchase and support of payroll, human resources,  
18 and other business function software that is compatible with that  
19 of the intermediate district in which the district is located and  
20 with other districts located within that intermediate district.

21 (5) From the allocation in subsection (1), the department  
22 shall pay up to \$1,000,000.00 in litigation costs incurred by this  
23 state related to commercial or industrial property tax appeals,  
24 including, but not limited to, appeals of classification, that  
25 impact revenues dedicated to the state school aid fund.

26 (6) From the allocation in subsection (1), the department  
27 shall pay up to \$1,000,000.00 in litigation costs incurred by this  
28 state associated with lawsuits filed by 1 or more districts or  
29 intermediate districts against this state. If the allocation under

1 this section is insufficient to fully fund all payments required  
2 under this section, the payments under this subsection must be made  
3 in full before any proration of remaining payments under this  
4 section.

5 (7) It is the intent of the legislature that all  
6 constitutional obligations of this state have been fully funded  
7 under sections 22a, 31d, 51a, 51c, and 152a. If a claim is made by  
8 an entity receiving funds under this article that challenges the  
9 legislative determination of the adequacy of this funding or  
10 alleges that there exists an unfunded constitutional requirement,  
11 the state budget director may escrow or allocate from the  
12 discretionary funds for nonmandated payments under this section the  
13 amount as may be necessary to satisfy the claim before making any  
14 payments to districts under subsection (2). If funds are escrowed,  
15 the escrowed funds are a work project appropriation and the funds  
16 are carried forward into the following fiscal year. The purpose of  
17 the work project is to provide for any payments that may be awarded  
18 to districts as a result of litigation. The work project is  
19 completed upon resolution of the litigation.

20 (8) If the local claims review board or a court of competent  
21 jurisdiction makes a final determination that this state is in  
22 violation of section 29 of article IX of the state constitution of  
23 1963 regarding state payments to districts, the state budget  
24 director shall use work project funds under subsection (7) or  
25 allocate from the discretionary funds for nonmandated payments  
26 under this section the amount as may be necessary to satisfy the  
27 amount owed to districts before making any payments to districts  
28 under subsection (2).

29 (9) If a claim is made in court that challenges the

1 legislative determination of the adequacy of funding for this  
2 state's constitutional obligations or alleges that there exists an  
3 unfunded constitutional requirement, any interested party may seek  
4 an expedited review of the claim by the local claims review board.  
5 If the claim exceeds \$10,000,000.00, this state may remove the  
6 action to the court of appeals, and the court of appeals has and  
7 shall exercise jurisdiction over the claim.

8 (10) If payments resulting from a final determination by the  
9 local claims review board or a court of competent jurisdiction that  
10 there has been a violation of section 29 of article IX of the state  
11 constitution of 1963 exceed the amount allocated for discretionary  
12 nonmandated payments under this section, the legislature shall  
13 provide for adequate funding for this state's constitutional  
14 obligations at its next legislative session.

15 (11) If a lawsuit challenging payments made to districts  
16 related to costs reimbursed by federal title XIX Medicaid funds is  
17 filed against this state, then, for the purpose of addressing  
18 potential liability under such a lawsuit, the state budget director  
19 may place funds allocated under this section in escrow or allocate  
20 money from the funds otherwise allocated under this section, up to  
21 a maximum of 50% of the amount allocated in subsection (1). If  
22 funds are placed in escrow under this subsection, those funds are a  
23 work project appropriation and the funds are carried forward into  
24 the following fiscal year. The purpose of the work project is to  
25 provide for any payments that may be awarded to districts as a  
26 result of the litigation. The work project is completed upon  
27 resolution of the litigation. In addition, this state reserves the  
28 right to terminate future federal title XIX Medicaid reimbursement  
29 payments to districts if the amount or allocation of reimbursed

1 funds is challenged in the lawsuit. As used in this subsection,  
 2 "title XIX" means title XIX of the social security act, 42 USC 1396  
 3 to 1396w-5.

4 Sec. 22d. (1) From the state school aid fund money  
 5 appropriated under section 11, an amount not to exceed  
 6 ~~\$7,000,000.00~~ **\$7,342,700.00** is allocated for ~~2020-2021~~ **2021-2022**  
 7 for supplemental payments to rural districts under this section.

8 (2) From the allocation under subsection (1), there is  
 9 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed  
 10 ~~\$957,300.00~~ **\$1,300,000.00** for payments under this subsection to  
 11 districts that meet all of the following:

12 (a) Operates grades K to 12.

13 (b) Has fewer than 250 pupils in membership.

14 (c) Each school building operated by the district meets at  
 15 least 1 of the following:

16 (i) Is located in the Upper Peninsula at least 30 miles from  
 17 any other public school building.

18 (ii) Is located on an island that is not accessible by bridge.

19 (3) The amount of the additional funding to each eligible  
 20 district under subsection (2) is determined under a spending plan  
 21 developed as provided in this subsection and approved by the  
 22 superintendent of public instruction. The spending plan must be  
 23 developed cooperatively by the intermediate superintendents of each  
 24 intermediate district in which an eligible district is located. The  
 25 intermediate superintendents shall review the financial situation  
 26 of each eligible district, determine the minimum essential  
 27 financial needs of each eligible district, and develop and agree on  
 28 a spending plan that distributes the available funding under  
 29 subsection (2) to the eligible districts based on those financial

1 needs. The intermediate superintendents shall submit the spending  
2 plan to the superintendent of public instruction for approval. Upon  
3 approval by the superintendent of public instruction, the amounts  
4 specified for each eligible district under the spending plan are  
5 allocated under subsection (2) and must be paid to the eligible  
6 districts in the same manner as payments under section 22b.

7 (4) Subject to subsection (6), from the allocation in  
8 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an  
9 amount not to exceed \$6,042,700.00 for payments under this  
10 subsection to districts that have fewer than 10.0 pupils per square  
11 mile as determined by the department.

12 (5) The funds allocated under subsection (4) are allocated as  
13 follows:

14 (a) An amount equal to \$5,200,000.00 is allocated to districts  
15 with fewer than 8.0 pupils per square mile, as determined by the  
16 department, on an equal per-pupil basis.

17 (b) The balance of the funding under subsection (4) is  
18 allocated as follows:

19 (i) For districts with at least 8.0 but fewer than 9.0 pupils  
20 per square mile, as determined by the department, the allocation is  
21 an amount per pupil equal to 75% of the per-pupil amount allocated  
22 to districts under subdivision (a).

23 (ii) For districts with at least 9.0 but fewer than 10.0 pupils  
24 per square mile, as determined by the department, the allocation is  
25 an amount per pupil equal to 50% of the per-pupil amount allocated  
26 to districts under subdivision (a).

27 (c) If the total funding allocated under subdivision (b) is  
28 not sufficient to fully fund payments as calculated under that  
29 subdivision, the department shall prorate payments to districts

1 under subdivision (b) on an equal per-pupil basis.

2 (6) A district receiving funds allocated under subsection (2)  
3 is not eligible for funding allocated under subsection (4).

4 **Sec. 22e. (1) From the state school aid fund money**  
5 **appropriated under section 11, there is allocated an amount not to**  
6 **exceed \$50,000,000.00 for 2021-2022 to reimburse eligible districts**  
7 **for transportation costs.**

8 (2) A district with fewer than 20.0 pupils per square mile, as  
9 determined by the department, is an eligible district under this  
10 section.

11 (3) The department shall provide payments to eligible  
12 districts under this section as follows:

13 (a) An amount equal to \$250.00 per pupil to eligible districts  
14 with fewer than 10.0 pupils per square mile, as determined by the  
15 department.

16 (b) An amount equal to \$200.00 per pupil to eligible districts  
17 with at least 10.0 but fewer than 15.0 pupils per square mile, as  
18 determined by the department.

19 (c) An amount equal to \$150.00 per pupil to eligible districts  
20 with at least 15.0 but fewer than 20.0 pupils per square mile, as  
21 determined by the department.

22 (4) If the total funding allocated under this section is not  
23 sufficient to fully fund payments as calculated under this section,  
24 the department shall prorate payments to eligible districts on an  
25 equal percentage basis.

26 (5) Notwithstanding section 17b, the department shall make  
27 payments to eligible districts under this section on a schedule  
28 determined by the department.

29 **Sec. 22m. (1) From the ~~appropriations~~ state school aid fund**

1 **money appropriated** in section 11, there is allocated for ~~2020-2021~~  
2 **2021-2022** an amount not to exceed \$2,200,000.00 for supporting the  
3 integration of local data systems into the Michigan data hub  
4 network based on common standards and applications that are in  
5 compliance with section 19(6).

6 (2) An entity that is the fiscal agent for no more than 5  
7 consortia of intermediate districts that previously received  
8 funding from the technology readiness infrastructure grant under  
9 former section 22i for the purpose of establishing regional data  
10 hubs that are part of the Michigan data hub network is eligible for  
11 funding under this section.

12 (3) The center shall work with an advisory committee composed  
13 of representatives from intermediate districts within each of the  
14 data hub regions to coordinate the activities of the Michigan data  
15 hub network.

16 (4) The center, in collaboration with the Michigan data hub  
17 network, shall determine the amount of funds distributed under this  
18 section to each participating regional data hub within the network,  
19 based upon a competitive grant process. The center shall ensure  
20 that the entities receiving funding under this section represent  
21 geographically diverse areas in this state.

22 (5) Notwithstanding section 17b, the department shall make  
23 payments under this section on a schedule determined by the center.

24 (6) To receive funding under this section, a regional data hub  
25 must have a governance model that ensures local control of data,  
26 data security, and student privacy issues. The integration of data  
27 within each of the regional data hubs must provide for the  
28 actionable use of data by districts and intermediate districts  
29 through common reports and dashboards and for efficiently providing

1 information to meet state and federal reporting purposes.

2 (7) Participation in a data hub region in the Michigan data  
3 hub network under this section is voluntary and is not required.

4 (8) Entities receiving funding under this section shall use  
5 the funds for all of the following:

6 (a) Creating an infrastructure that effectively manages the  
7 movement of data between data systems used by intermediate  
8 districts, districts, and other educational organizations in  
9 Michigan based on common data standards to improve student  
10 achievement.

11 (b) Utilizing the infrastructure to put in place commonly  
12 needed integrations, reducing cost and effort to do that work while  
13 increasing data accuracy and usability.

14 (c) Promoting the use of a more common set of applications by  
15 promoting systems that integrate with the Michigan data hub  
16 network.

17 (d) Promoting 100% district adoption of the Michigan data hub  
18 network by September 30, ~~2021~~2022.

19 (e) Ensuring local control of data, data security, and student  
20 data privacy.

21 (f) Utilizing the infrastructure to promote the actionable use  
22 of data through common reports and dashboards that are consistent  
23 statewide.

24 (g) Creating a governance model to facilitate sustainable  
25 operations of the infrastructure in the future, including  
26 administration, legal agreements, documentation, staffing, hosting,  
27 and funding.

28 (h) Evaluating future data initiatives at all levels to  
29 determine whether the initiatives can be enhanced by using the

1 standardized environment in the Michigan data hub network.

2 (9) Not later than January 1 of each fiscal year, the center  
3 shall prepare a summary report of information provided by each  
4 entity that received funds under this section that includes  
5 measurable outcomes based on the objectives described under this  
6 section and a summary of compiled data from each entity to provide  
7 a means to evaluate the effectiveness of the project. The center  
8 shall submit the report to the house and senate appropriations  
9 subcommittees on ~~state~~-school aid and to the house and senate  
10 fiscal agencies.

11 Sec. 22p. (1) Subject to subsection (2), in order to receive  
12 funding under section 22b, a district or public school academy that  
13 is assigned by the superintendent of public instruction as a  
14 partnership district must have a signed 3-year partnership  
15 agreement with the department that includes all of the following:

16 (a) Measurable academic outcomes that the district or public  
17 school academy will achieve for each school operated by the  
18 district or public school academy that is subject to the  
19 partnership agreement after 18 months and after 36 months from the  
20 date the agreement was originally signed. Measurable academic  
21 outcomes under this subdivision must include all of the following:

22 (i) Outcomes that put pupils on track to meet or exceed grade  
23 level proficiency and that are based on district or public school  
24 academy needs. ~~identified as required under section 21h.~~

25 (ii) Either of the following, as applicable:

26 (A) At least 1 proficiency or growth outcome based on state  
27 assessments described in section 104b or 104c.

28 (B) ~~For 2020-2021 only, at~~ **At** least 1 proficiency or growth  
29 outcome based on a benchmark assessment described in section

1 ~~104-104a.~~

2 (b) Accountability measures to be imposed if the district or  
3 public school academy does not achieve the measurable academic  
4 outcomes described in subdivision (a) for each school operated by  
5 the district or public school academy that is subject to the  
6 partnership agreement. For a district assigned as a partnership  
7 district as described in this subsection, accountability measures  
8 under this subdivision must include the reconstitution of the  
9 school. For a public school academy assigned as a partnership  
10 district as described in this subsection, accountability measures  
11 under this subdivision may include the reconstitution of the  
12 school.

13 (c) For a public school academy assigned as a partnership  
14 district as described in this subsection, a requirement that, if  
15 reconstitution is imposed on a school that is operated by the  
16 public school academy and that is subject to the partnership  
17 agreement, the school must be reconstituted as described in section  
18 507, 528, or 561, as applicable, of the revised school code, MCL  
19 380.507, 380.528, and 380.561.

20 (d) For a district assigned as a partnership district as  
21 described in this subsection, a provision that, if reconstitution  
22 is imposed on a school that is operated by the district and that is  
23 subject to the partnership agreement, reconstitution may require  
24 closure of the school building, but, if the school building remains  
25 open, reconstitution must include, but is not limited to, all of  
26 the following:

27 (i) The district shall make significant changes to the  
28 instructional and noninstructional programming of the school based  
29 on the needs identified through a comprehensive review of data. ~~in~~

1 ~~compliance with section 21h.~~

2 (ii) The district shall review whether the current principal of  
3 the school should remain as principal or be replaced.

4 (iii) The reconstitution plan for the school must require the  
5 adoption of goals similar to the goals included in the partnership  
6 agreement, with a limit of 3 years to achieve the goals. If the  
7 goals are not achieved within 3 years, the superintendent of public  
8 instruction shall impose a second reconstitution plan.

9 (2) If a district or public school academy is assigned as a  
10 partnership district as described in subsection (1) during the  
11 current fiscal year, it shall ensure that it has a signed  
12 partnership agreement as described in subsection (1) in place by  
13 not later than 90 days after the date that it is assigned as a  
14 partnership district. If a district or public school academy  
15 described in this subsection does not comply with this subsection,  
16 the department shall withhold funding under section 22b for that  
17 district or public school academy until the district or public  
18 school academy has a signed partnership agreement as described in  
19 subsection (1) in place.

20 Sec. 23b. (1) ~~From the federal fund money allocated under~~  
21 ~~section 11n awarded to this state from the elementary and secondary~~  
22 ~~school emergency relief (ESSER) fund under the coronavirus response~~  
23 ~~and relief supplemental appropriations act, 2021, division M of~~  
24 ~~Public Law 116-260, there is allocated for 2020-2021 an amount not~~  
25 ~~to exceed \$152,400,000.00, and from the state school aid fund money~~  
26 ~~appropriated under section 11, there is allocated for 2020-2021~~  
27 **2021-2022** an amount not to exceed ~~\$10,000,000.00~~ **\$152,400,000.00** to  
28 eligible districts and eligible intermediate districts described in  
29 subsection (4) to be used for ~~COVID-19~~ remediation services in the

1 manner described in subsection (6).

2 (2) The funds allocated under subsection (1) must be  
3 distributed by the department as follows:

4 (a) An amount not to exceed \$90,000,000.00 ~~from the federal~~  
5 ~~funding allocated under subsection (1)~~ for summer programs that are  
6 offered as part of ~~COVID-19~~ remediation services under this  
7 section.

8 (b) An amount not to exceed \$45,000,000.00 ~~from the federal~~  
9 ~~funding allocated under subsection (1)~~ for credit recovery programs  
10 that are offered as part of ~~COVID-19~~ remediation services under  
11 this section.

12 (c) An amount not to exceed \$17,400,000.00 ~~from the federal~~  
13 ~~funding allocated under subsection (1)~~ for before-school, after-  
14 school, or before-and-after school programs that are offered as  
15 part of ~~COVID-19~~ remediation services under this section.

16 ~~(d) An amount not to exceed \$10,000,000.00 from the state~~  
17 ~~school aid fund money allocated under subsection (1) for additional~~  
18 ~~payments for summer programs and credit recovery programs that are~~  
19 ~~offered as part of COVID-19 remediation services under this section~~  
20 ~~that the department's innovation council designates as innovative~~  
21 ~~under subsection (11).~~

22 (3) Except as otherwise provided in this subsection, to  
23 receive funding under this section, a district or intermediate  
24 district must apply for the funding in a form and manner prescribed  
25 by the department. An application for funding under this section  
26 must be submitted to the department by not later than April 15,  
27 2021.2022.

28 (4) A district or intermediate district that meets all of the  
29 following is an eligible district or eligible intermediate district

1 under this section:

2 (a) In its application for funding under this section, the  
3 district or intermediate district pledges to provide ~~COVID-19~~  
4 remediation services to eligible ~~pupils~~-**children**.

5 (b) In its application for funding under this section, the  
6 district or intermediate district includes a ~~COVID-19~~ remediation  
7 services plan. A plan described in this subdivision must include at  
8 least all of the following, as applicable:

9 (i) For ~~COVID-19~~ remediation services that include a summer  
10 program, all of the following:

11 (A) A description of the summer program.

12 (B) The number of potential eligible ~~pupils~~-**children** that will  
13 enroll or the number of eligible ~~pupils~~-**children** enrolled in the  
14 summer program.

15 (C) An estimate of costs for the preparation and  
16 implementation of the summer program.

17 ~~(D) A statement indicating whether or not the district or~~  
18 ~~intermediate district is requesting that the summer program be~~  
19 ~~designated as innovative under subsection (11) and the reasons the~~  
20 ~~district or intermediate district believes its program is~~  
21 ~~innovative.~~

22 (ii) For ~~COVID-19~~ remediation services that include a credit  
23 recovery program, all of the following:

24 (A) A description of the credit recovery program.

25 (B) The number of potential eligible ~~pupils~~-**children** that will  
26 enroll or the number of eligible ~~pupils~~-**children** enrolled in the  
27 credit recovery program.

28 (C) An estimate of costs for the preparation and  
29 implementation of the credit recovery program.

1 ~~(D) A statement indicating whether or not the district or~~  
 2 ~~intermediate district is requesting that the credit recovery~~  
 3 ~~program be designated as innovative under subsection (11) and the~~  
 4 ~~reasons the district or intermediate district believes its program~~  
 5 ~~is innovative.~~

6 (iii) For ~~COVID-19~~ remediation services that include a before-  
 7 school, after-school, or before-and-after school program, all of  
 8 the following:

9 (A) A description of the before-school, after-school, or  
 10 before-and-after school program.

11 (B) The number of potential ~~pupils~~ **eligible children** that will  
 12 enroll or the number of eligible ~~pupils~~ **children** enrolled in the  
 13 before-school, after-school, or before-and-after school program.

14 (C) An estimate of costs for the preparation and  
 15 implementation of the before-school, after-school, or before-and-  
 16 after school program.

17 (D) Assurance that the before-school, after-school, or before-  
 18 and-after school program is designed to emphasize remediation for  
 19 eligible ~~pupils~~ **children**.

20 (c) In its application for funding under this section, the  
 21 district or intermediate district provides information concerning  
 22 whether or not the district or intermediate district intends to  
 23 contract for services as described in subsection (6) (a) in  
 24 providing a summer program, credit recovery program, or before-  
 25 school, after-school, or before-and-after school program as part of  
 26 its ~~COVID-19~~ remediation services under this section.

27 (5) Subject to subsections (2) and (7), from the funding  
 28 allocated under subsection (1), the department shall pay each  
 29 eligible district and each eligible intermediate district all of

1 the following, as applicable:

2 (a) An amount equal to \$550.00 for each eligible ~~pupil~~**child**  
 3 that, based on the application for funding under this section, will  
 4 be enrolled or is enrolled in the eligible district's or eligible  
 5 intermediate district's summer program, as applicable, offered as  
 6 part of the eligible district's or eligible intermediate district's  
 7 ~~COVID-19~~remediation services under this section.

8 (b) An amount equal to \$550.00 for each eligible ~~pupil~~**child**  
 9 that, based on the application for funding under this section, will  
 10 be enrolled or is enrolled in the eligible district's or eligible  
 11 intermediate district's credit recovery program, as applicable,  
 12 offered as part of the eligible district's or eligible intermediate  
 13 district's ~~COVID-19~~remediation services under this section.

14 (c) An amount not to exceed \$25,000.00 to each eligible  
 15 district or eligible intermediate district for its before-school,  
 16 after-school, or before-and-after school program offered as part of  
 17 its ~~COVID-19~~remediation services under this section.

18 ~~(d) In addition to the amounts distributed under subdivisions~~  
 19 ~~(a) and (b), an amount not to exceed \$100.00 for each eligible~~  
 20 ~~pupil who, based on the application for funding under this section,~~  
 21 ~~will be enrolled or is enrolled in the eligible district's or~~  
 22 ~~eligible intermediate district's summer program or credit recovery~~  
 23 ~~program, as applicable, if the program or programs have been~~  
 24 ~~designated as innovative under subsection (11).~~

25 (6) An eligible district or eligible intermediate district  
 26 that receives funding under this section shall only use that  
 27 funding to provide ~~COVID-19~~remediation services to eligible  
 28 ~~pupils.~~**children.** Both of the following apply for purposes of this  
 29 subsection:

1 (a) An eligible district or eligible intermediate district may  
2 contract with public or private entities, other districts or  
3 intermediate districts, or a consortium of other districts or  
4 intermediate districts to provide ~~COVID-19~~ remediation services  
5 under this section.

6 (b) An eligible intermediate district may provide its ~~COVID-19~~  
7 remediation services to its constituent districts to provide to  
8 eligible ~~pupils~~ **children**.

9 (7) If funds allocated under this section for summer programs  
10 that are offered as part of ~~COVID-19~~ remediation services under  
11 this section are insufficient to fully fund calculations under this  
12 section, the department shall apply proration of an equal dollar  
13 amount per eligible ~~pupil~~ **child** in a summer program. If funds  
14 allocated under this section for credit recovery programs that are  
15 offered as part of ~~COVID-19~~ remediation services under this section  
16 are insufficient to fully fund calculations under this section, the  
17 department shall apply proration of an equal dollar amount per  
18 eligible ~~pupil~~ **child** in a credit recovery program. If funds  
19 allocated under this section for before-school, after-school, or  
20 before-and-after school programs that are offered as part of ~~COVID-~~  
21 ~~19~~ remediation services under this section are insufficient to  
22 fully fund calculations under this section, the department shall  
23 apply proration in equal proportion to the amount the eligible  
24 district or eligible intermediate district would have received  
25 under this section for that program but for the application of  
26 proration under this subsection. ~~If funds specifically allocated~~  
27 ~~under this section for summer programs and credit recovery programs~~  
28 ~~that are offered as part of COVID-19 remediation services under~~  
29 ~~this section that have been designated as innovative under~~

1 ~~subsection (11) are insufficient to fully fund calculations under~~  
2 ~~this section, the department shall apply proration of an equal~~  
3 ~~dollar amount per eligible pupil in the program or programs~~  
4 ~~described in this sentence.~~

5 (8) In awarding funding under this section, the department  
6 shall prioritize funding under this section that is distributed for  
7 before-school, after-school, and before-and-after school programs  
8 offered as part of ~~COVID-19~~ remediation services under this section  
9 to the following eligible districts or eligible intermediate  
10 districts that offer those programs as part of their ~~COVID-19~~  
11 remediation services:

12 (a) Eligible districts or eligible intermediate districts with  
13 the highest number of eligible ~~pupils~~ **children** who, based on the  
14 application for funding under this section, will enroll or are  
15 enrolled in the program.

16 (b) Eligible districts or eligible intermediate districts with  
17 the largest size program.

18 (c) Eligible districts or eligible intermediate districts with  
19 the highest amount of costs for the program.

20 (9) A before-school, after-school, or before-and-after school  
21 program that is offered as part of ~~COVID-19~~ remediation services  
22 under this section must be provided to eligible ~~pupils~~ **children** in  
23 a manner in which the eligible ~~pupils~~ **children** are in person at a  
24 school building designated by the eligible district or eligible  
25 intermediate district providing the program. A before-school,  
26 after-school, or before-and-after school program that is offered as  
27 part of ~~COVID-19~~ remediation services under this section must  
28 provide educational programming in core subject areas, including,  
29 but not limited to, mathematics, reading, and science. As used in

1 this subsection, "in person" means physically present.

2 (10) If, in its application for funding under this section, an  
3 eligible district or eligible intermediate district submits the  
4 potential number of eligible ~~pupils~~**children** that will enroll in  
5 its summer program as described in subsection (4) (b) (i), potential  
6 number of eligible ~~pupils~~**children** that will enroll in its credit  
7 recovery program as described in subsection (4) (b) (ii), or potential  
8 number of eligible ~~pupils~~**children** that will enroll in its before-  
9 school, after-school, or before-and-after school program as  
10 described in subsection (4) (b) (iii), as applicable, and the eligible  
11 district or eligible intermediate district receives funding under  
12 this section based on those estimations, by June 15, ~~2021~~**2022**,  
13 the eligible district or eligible intermediate district shall  
14 submit the number of ~~pupils~~**eligible children** who actually enrolled  
15 in the eligible district's or eligible intermediate district's  
16 summer program, credit recovery program, or before-school, after-  
17 school, or before-and-after school program. If the eligible  
18 district or eligible intermediate district received an overpayment  
19 of funds under this section based on its submitted estimates of  
20 eligible ~~pupils~~**children** as described in this subsection, as  
21 determined by the department, the eligible district or eligible  
22 intermediate district shall refund the department in the amount of  
23 the overpayment.

24 ~~(11) For purposes of determining which eligible districts and~~  
25 ~~eligible intermediate districts will receive additional payments as~~  
26 ~~described in subsection (5) (d), the department's innovation council~~  
27 ~~shall, based on applications submitted under this section,~~  
28 ~~designate summer programs and credit recovery programs that are~~  
29 ~~offered as part of COVID-19 remediation services under this section~~

1 ~~that, in their applications for funding under this section, request~~  
 2 ~~innovative designation as innovative if it determines those~~  
 3 ~~programs are innovative. A program that is designated as innovative~~  
 4 ~~under this subsection may include, without limitation, 1 or more of~~  
 5 ~~the following:~~

6 ~~(a) Community-based projects.~~

7 ~~(b) Integrated kinesthetic or cognitive growth programs.~~

8 ~~(c) STEM-based programs.~~

9 ~~(d) Outdoor or adventure-based programs.~~

10 ~~(e) Any programs that integrate public and private~~  
 11 ~~partnerships.~~

12 **(11)** ~~(12)~~ Notwithstanding section 17b and except as otherwise  
 13 provided in this subsection, the department shall make payments  
 14 under this section on a schedule determined by the department. The  
 15 department shall distribute all funding under this section by not  
 16 later than May 20, ~~2021.~~**2022.**

17 **(12)** ~~(13)~~ As used in this section:

18 (a) "Constituent district" means a district that is located in  
 19 the geographic boundaries of the intermediate district.

20 (b) ~~"COVID-19 remediation"~~**Remediation** services" means any of  
 21 the following:

22 (i) A summer program.

23 (ii) A credit recovery program.

24 (iii) A before-school, after-school, or before-and-after school  
 25 program.

26 (c) "Credit recovery program" means an educational program  
 27 that meets at least all of the following:

28 (i) Is offered to each eligible ~~pupil~~**child** described in  
 29 subdivision (d) (ii) who was enrolled in any of grades 9 to 12 in the

1 ~~2020-2021~~**2021-2022** school year.

2 (ii) Is a program that is designed to provide educational  
3 remediation to ~~pupils~~**children**.

4 (iii) Is offered in person, online, digitally, by other remote  
5 means, in a synchronous or asynchronous format, or through any  
6 combination of these.

7 (iv) Is a program that was developed based on the input of  
8 teachers and that is teacher-led.

9 (d) "Eligible ~~pupil~~**child**" means a child to whom the  
10 following apply, as applicable:

11 (i) For participation in a summer program offered as part of  
12 ~~COVID-19~~ remediation services under this section, both of the  
13 following apply:

14 (A) Any of the following apply:

15 (I) If an eligible district that is not a public school  
16 academy is providing the ~~COVID-19~~ remediation services, the child  
17 resides within the geographic boundaries of the district.

18 (II) If an eligible district that is a public school academy  
19 is providing the ~~COVID-19~~ remediation services, the child resides  
20 within the geographic boundaries of the intermediate district in  
21 which the district is located.

22 (III) If an eligible intermediate district is providing the  
23 ~~COVID-19~~ remediation services, the child resides within the  
24 geographic boundaries of the intermediate district.

25 (B) The eligible district or eligible intermediate district  
26 providing the summer program under this section has determined that  
27 the child is eligible for enrollment in the eligible district's or  
28 eligible intermediate district's summer program. An eligible  
29 district or eligible intermediate district is encouraged to base

1 the determination described in this sub-subparagraph on benchmark  
2 assessment data from the benchmark assessment or benchmark  
3 assessments administered to the child under section ~~104,~~**104a**, as  
4 applicable.

5 (ii) For participation in a credit recovery program offered as  
6 part of ~~COVID-19~~ remediation services under this section, both of  
7 the following apply:

8 (A) In the ~~2020-2021~~**2021-2022** school year, the child was  
9 enrolled in the eligible district, eligible intermediate district,  
10 or a constituent district of the eligible intermediate district  
11 that provides the credit recovery program to the child under this  
12 section.

13 (B) Any of the following apply:

14 (I) The child has failed 1 or more credits or courses in the  
15 ~~2020-2021~~**2021-2022** school year.

16 (II) The child is not on track to graduate from high school,  
17 as determined by the eligible district, eligible intermediate  
18 district, or constituent district of the eligible intermediate  
19 district in which the child was enrolled as described in sub-  
20 subparagraph (A).

21 (III) The eligible district, eligible intermediate district,  
22 or constituent district of the eligible intermediate district in  
23 which the child was enrolled as described in sub-subparagraph (A)  
24 has determined that the child is eligible for enrollment in the  
25 eligible district's or eligible intermediate district's credit  
26 recovery program.

27 (iii) For participation in a before-school, after-school, or  
28 before-and-after school program offered as part of ~~COVID-19~~  
29 remediation services under this section, both of the following

1 apply:

2 (A) In the ~~2020-2021~~**2021-2022** school year, the child was  
3 enrolled in any of grades K to 12 in the eligible district,  
4 eligible intermediate district, or a constituent district of the  
5 eligible intermediate district that provides the before-school,  
6 after-school, or before-and-after school program to the child under  
7 this section.

8 (B) The eligible district, eligible intermediate district, or  
9 constituent district of the eligible intermediate district in which  
10 the child was enrolled as described in sub-subparagraph (A) has  
11 determined that the child is eligible for enrollment in the  
12 eligible district's or eligible intermediate district's before-  
13 school, after-school, or before-and-after school program.

14 (e) "Summer program" means an educational program that meets  
15 at least all of the following:

16 (i) Is offered to each eligible ~~pupil~~**child** described in  
17 subdivision (d) (i) who was enrolled in any of grades K to 8 in the  
18 ~~2020-2021~~**2021-2022** school year.

19 (ii) Is offered at any point after June 1, ~~2021~~**2022** and before  
20 September 1, ~~2021~~**2022**.

21 (iii) Is an 8-week program. As used in this subparagraph, "week"  
22 means a period beginning on Monday and ending on the following  
23 Friday.

24 (iv) Is provided to eligible ~~pupils~~**children** described in  
25 subdivision (d) (i) in a manner in which the eligible ~~pupils~~**children**  
26 are in person at a school building designated by the eligible  
27 district or eligible intermediate district providing the program.  
28 As used in this subparagraph, "in person" means physically present.

29 (v) Is a program that was developed based on the input of

1 teachers and that is teacher-led.

2 (vi) Includes programming in core subject areas, including, but  
3 not limited to, mathematics, reading, and science.

4 Sec. 23e. (1) From the ~~federal fund money allocated under~~  
5 ~~section 11n awarded to this state from the governor's emergency~~  
6 ~~education relief (GEER) fund under the coronavirus response and~~  
7 ~~relief supplemental appropriations act, 2021, division M of Public~~  
8 ~~Law 116-260, **general fund money appropriated under section 11,**~~  
9 there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed  
10 \$5,000,000.00. The department shall develop a competitive grant  
11 program to distribute this funding to eligible entities described  
12 in subsection (3) as described under this section.

13 (2) To receive funding under this section, an entity must  
14 apply for the funding in a form and manner prescribed by the  
15 department.

16 (3) An entity that meets eligibility criteria established by  
17 the department for purposes of receiving grant funding under this  
18 section is an eligible entity under this section. The eligibility  
19 criteria described in this subsection must establish that an entity  
20 must meet at least all of the following requirements to receive  
21 grant funding under this section:

22 (a) Serves children in kindergarten or any or all of grades 1  
23 to 8, or both.

24 (b) Is a community-based organization that is exempt from  
25 federal income tax under section 501(c)(3) of the internal revenue  
26 code, 26 USC 501.

27 (c) Provides before-school, after-school, or before-and-after  
28 school programming to children described in subdivision (a).

29 (4) The department shall determine the amount of grant funding

1 under this section that will be paid to each eligible entity.  
2 However, in determining the amounts under this subsection, the  
3 department shall ensure that both of the following are applied in  
4 its determinations:

5 (a) To the extent practicable, the department shall ensure  
6 that all eligible entities in all geographic regions of this state  
7 are represented in the distribution of grant funding under this  
8 section. This subdivision does not require the department to award  
9 grant funding under this section to eligible entities in all  
10 geographic regions of this state.

11 (b) The department shall prioritize distributing grant funding  
12 under this section to eligible entities that are located within  
13 districts or intermediate districts that do not provide the before-  
14 school, after-school, or before-and-after school programming  
15 provided by the eligible entity.

16 (5) An eligible entity that receives grant funding under this  
17 section shall use the funding only to provide before-school, after-  
18 school, or before-and-after school programming to children  
19 described in subsection (3)(a). The programming offered under this  
20 subsection must meet both of the following:

21 (a) Be provided to children in a manner in which the children  
22 are in person at a building designated by the eligible entity. As  
23 used in this subdivision, "in person" means physically present.

24 (b) Provide educational programming in core subject areas,  
25 including, but not limited to, mathematics, reading, and science.

26 (6) Notwithstanding section 17b, the department shall make  
27 payments under this section on a schedule determined by the  
28 department.

29 Sec. 24. (1) From the ~~appropriation~~ **state school aid fund**

1 **money appropriated** in section 11, there is allocated for ~~2020-2021~~  
2 ~~an amount not to exceed \$7,150,000.00-2021-2022 an amount not to~~  
3 **exceed \$7,650,000.00** for payments to the educating district or  
4 intermediate district for educating pupils assigned by a court or  
5 the department of health and human services to reside in or to  
6 attend a juvenile detention facility or child caring institution  
7 licensed by the department of health and human services and  
8 approved by the department to provide an on-grounds education  
9 program. The amount of the payment under this section to a district  
10 or intermediate district is calculated as prescribed under  
11 subsection (2).

12 (2) The department shall allocate the total amount allocated  
13 under this section by paying to the educating district or  
14 intermediate district an amount equal to the lesser of the  
15 district's or intermediate district's added cost or the  
16 department's approved per-pupil allocation for the district or  
17 intermediate district. For the purposes of this subsection:

18 (a) "Added cost" means 100% of the added cost each fiscal year  
19 for educating all pupils assigned by a court or the department of  
20 health and human services to reside in or to attend a juvenile  
21 detention facility or child caring institution licensed by the  
22 department of health and human services or the department of  
23 licensing and regulatory affairs and approved by the department to  
24 provide an on-grounds education program. Added cost is computed by  
25 deducting all other revenue received under this article for pupils  
26 described in this section from total costs, as approved by the  
27 department, in whole or in part, for educating those pupils in the  
28 on-grounds education program or in a program approved by the  
29 department that is located on property adjacent to a juvenile

1 detention facility or child caring institution. Costs reimbursed by  
2 federal funds are not included.

3 (b) "Department's approved per-pupil allocation" for a  
4 district or intermediate district is determined by dividing the  
5 total amount allocated under this section for a fiscal year by the  
6 full-time equated membership total for all pupils approved by the  
7 department to be funded under this section for that fiscal year for  
8 the district or intermediate district.

9 (3) A district or intermediate district educating pupils  
10 described in this section at a residential child caring institution  
11 may operate, and receive funding under this section for, a  
12 department-approved on-grounds educational program for those pupils  
13 that is longer than 181 days, but not longer than 233 days, if the  
14 child caring institution was licensed as a child caring institution  
15 and offered in 1991-92 an on-grounds educational program that was  
16 longer than 181 days but not longer than 233 days and that was  
17 operated by a district or intermediate district.

18 (4) Special education pupils funded under section 53a are not  
19 funded under this section.

20 Sec. 24a. From the ~~appropriation~~ **state school aid fund money**  
21 **appropriated** in section 11, there is allocated an amount not to  
22 exceed \$1,355,700.00 for ~~2020-2021~~ **2021-2022** for payments to  
23 intermediate districts for pupils who are placed in juvenile  
24 justice service facilities operated by the department of health and  
25 human services. The amount of the payment to each intermediate  
26 district is an amount equal to the state share of those costs that  
27 are clearly and directly attributable to the educational programs  
28 for pupils placed in facilities described in this section that are  
29 located within the intermediate district's boundaries. The

1 intermediate districts receiving payments under this section shall  
2 cooperate with the department of health and human services to  
3 ensure that all funding allocated under this section is utilized by  
4 the intermediate district and department of health and human  
5 services for educational programs for pupils described in this  
6 section. Pupils described in this section are not eligible to be  
7 funded under section 24. However, a program responsibility or other  
8 fiscal responsibility associated with these pupils must not be  
9 transferred from the department of health and human services to a  
10 district or intermediate district unless the district or  
11 intermediate district consents to the transfer.

12       Sec. 25f. (1) From the state school aid fund money  
13 appropriated in section 11, there is allocated an amount not to  
14 exceed \$1,600,000.00 for ~~2020-2021~~**2021-2022** for payments to strict  
15 discipline academies established under sections 1311b to 1311m of  
16 the revised school code, MCL 380.1311b to 380.1311m, as provided  
17 under this section.

18       (2) In order to receive funding under this section, a strict  
19 discipline academy must first comply with section 25e and use the  
20 pupil transfer process under that section for changes in enrollment  
21 as prescribed under that section.

22       (3) The total amount allocated to a strict discipline academy  
23 under this section must first be distributed as the lesser of the  
24 strict discipline academy's added cost or the department's approved  
25 per-pupil allocation for the strict discipline academy. Any funds  
26 remaining after the first distribution must be distributed by  
27 prorating on an equal per-pupil membership basis, not to exceed a  
28 strict discipline academy's added cost. However, the sum of the  
29 amounts received by a strict discipline academy under this section

1 and under section 24 must not exceed the product of the strict  
2 discipline academy's per-pupil allocation calculated under section  
3 20 multiplied by the strict discipline academy's full-time equated  
4 membership. The department shall allocate funds to strict  
5 discipline academies under this section on a monthly basis. For the  
6 purposes of this subsection:

7 (a) "Added cost" means 100% of the added cost each fiscal year  
8 for educating all pupils enrolled and in regular daily attendance  
9 at a strict discipline academy. Added cost must be computed by  
10 deducting all other revenue received under this article for pupils  
11 described in this subsection from total costs, as approved by the  
12 department, in whole or in part, for educating those pupils in a  
13 strict discipline academy. The department shall include all costs  
14 including, but not limited to, educational costs, insurance,  
15 management fees, technology costs, legal fees, auditing fees,  
16 interest, pupil accounting costs, and any other administrative  
17 costs necessary to operate the program or to comply with statutory  
18 requirements. Costs reimbursed by federal funds are not included.

19 (b) "Department's approved per-pupil allocation" for a strict  
20 discipline academy is determined by dividing the total amount  
21 allocated under this subsection for a fiscal year by the full-time  
22 equated membership total for all pupils approved by the department  
23 to be funded under this subsection for that fiscal year for the  
24 strict discipline academy.

25 (4) Special education pupils funded under section 53a are not  
26 funded under this section.

27 (5) If the funds allocated under this section are insufficient  
28 to fully fund the adjustments under subsection (3), the department  
29 shall prorate payments under this section on an equal per-pupil

1 basis.

2 (6) The department shall make payments to districts under this  
3 section according to the payment schedule under section 17b.

4 Sec. 25g. (1) From the state school aid fund money  
5 appropriated in section 11, there is allocated an amount not to  
6 exceed \$750,000.00 for ~~2020-2021~~**2021-2022** for the purposes of this  
7 section. Except as otherwise provided in this section, if the  
8 operation of the special membership counting provisions under  
9 section 6(4) (dd) and the other membership counting provisions under  
10 section 6(4) result in a pupil being counted as more than 1.0 FTE  
11 in a fiscal year, then the payment made for the pupil under  
12 sections 22a and 22b must not be based on more than 1.0 FTE for  
13 that pupil, and that portion of the FTE that exceeds 1.0 is paid  
14 under this section in an amount equal to that portion multiplied by  
15 the educating district's foundation allowance or per-pupil payment  
16 calculated under section 20.

17 (2) Special education pupils funded under section 53a are not  
18 funded under this section.

19 (3) If the funds allocated under this section are insufficient  
20 to fully fund the adjustments under subsection (1), the department  
21 shall prorate payments under this section on an equal per-pupil  
22 basis.

23 (4) The department shall make payments to districts under this  
24 section according to the payment schedule under section 17b.

25 Sec. 25i. (1) From the general fund money appropriated in  
26 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount  
27 not to exceed \$2,000,000.00 for an eligible attendance recovery  
28 program as described in subsection (3). The funds allocated under  
29 this section must be used to administer an eligible attendance

1 recovery program for all districts that opt into the program to  
2 serve eligible pupils described in subsection (2).

3 (2) A pupil who meets any of the following and who is enrolled  
4 in a district that opts into the attendance recovery program funded  
5 under this section is an eligible pupil under this section:

6 (a) The pupil did not engage in the district's remote  
7 continuous education offerings in spring ~~2020-2021~~.

8 (b) The pupil needs intervention based on his or her absences  
9 or consistent disengagement in classes.

10 (c) The pupil is in danger of failing 1 or more classes.

11 (d) The pupil is eligible under the McKinney-Vento  
12 homelessness assistance act, Public Law 100-77, or is in foster  
13 care.

14 (e) The pupil's family requires financial or social support.

15 (f) The pupil has disengaged in his or her education, is  
16 attending school irregularly, or is not progressing in his or her  
17 coursework.

18 (3) An attendance recovery program that meets all of the  
19 following is an eligible attendance recovery program under this  
20 section:

21 (a) Reflects experience and successful outcomes running  
22 statewide student recovery programs.

23 (b) Has, at a minimum, 2 years of experience working with this  
24 state's local education agencies.

25 (c) Has multimodal contact capabilities that include, but are  
26 not limited to, a call center, ~~electronic mail, email~~, text,  
27 social-media matching, and public service announcements.

28 (d) Reflects experience in assisting at-risk students in  
29 overcoming learning barriers in a remote or online learning

1 environment.

2 (e) Has the ability to scale to provide outreach to at least  
3 20,000 students before the end of ~~2020~~**2021**.

4 (4) The department shall choose and designate the provider of  
5 the eligible attendance recovery program under this section by not  
6 later than November 1, ~~2020~~**2021**. The provider chosen and  
7 designated by the department under this subsection must do all of  
8 the following:

9 (a) Work with the department to notify districts about the  
10 program and provide technical assistance to districts interested in  
11 opting in.

12 (b) Work with each district to obtain contact information for  
13 each eligible pupil.

14 (c) Provide outreach using differentiated treatment strategies  
15 to pupils and families using multiple modalities that may include  
16 ~~phone,~~**telephone**, text, social media, ~~electronic mail,~~**email**, and  
17 traditional mail, to find and engage eligible pupils.

18 (d) Implement a culturally and linguistically responsive  
19 outreach and support plan. Elements of the plan must include  
20 differentiated outreach and ongoing coaching strategies to families  
21 to ensure cultural and linguistic relevance.

22 (e) Use information about barriers to engagement gathered from  
23 pupils and families to assign eligible pupils to an ongoing support  
24 level. Ongoing support levels described in this subdivision must  
25 include a minimum of 3 support tiers following the general design  
26 of response to intervention (RTI) models.

27 (f) For eligible pupils and their families, provide a coach to  
28 deliver interventions in accordance with the pupil's needs and the  
29 framework of his or her assigned ongoing support level.

1 (g) Report weekly to each district that has opted into the  
 2 program and to the department with metrics agreed upon by the  
 3 provider and the department.

4 (5) Notwithstanding section 17b, the department shall make  
 5 payments under this section by not later than December 1,  
 6 ~~2020-2021~~.

7 Sec. 26a. From the ~~funds~~ **state school aid fund money**  
 8 appropriated in section 11, there is allocated an amount not to  
 9 exceed \$15,300,000.00 for ~~2020-2021~~ **2021-2022** to reimburse  
 10 districts and intermediate districts under section 12 of the  
 11 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes  
 12 levied in ~~2020-2021~~. The department shall pay the allocations not  
 13 later than 60 days after the department of treasury certifies to  
 14 the department and to the state budget director that the department  
 15 of treasury has received all necessary information to properly  
 16 determine the amounts due to each eligible recipient.

17 Sec. 26b. (1) From the ~~appropriation~~ **state school aid fund**  
 18 **money appropriated** in section 11, there is allocated an amount not  
 19 to exceed \$4,645,000.00 for ~~2020-2021~~ **2021-2022** for payments to  
 20 districts, intermediate districts, and community college districts  
 21 for the portion of the payment in lieu of taxes obligation that is  
 22 attributable to districts, intermediate districts, and community  
 23 college districts under section 2154 of the natural resources and  
 24 environmental protection act, 1994 PA 451, MCL 324.2154.

25 (2) If the amount appropriated under this section is not  
 26 sufficient to fully pay obligations under this section, payments  
 27 are prorated on an equal basis among all eligible districts,  
 28 intermediate districts, and community college districts.

29 Sec. 26c. (1) From the state school aid fund money

1 appropriated under section 11, there is allocated an amount not to  
2 exceed ~~\$9,700,000.00 for 2020-2021~~ **\$13,800,000.00 for 2021-2022** to  
3 the promise zone fund created in subsection (3). The funds  
4 allocated under this section reflect the amount of revenue from the  
5 collection of the state education tax captured under section 17 of  
6 the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

7 (2) Funds allocated to the promise zone fund under this  
8 section must be used solely for payments to eligible districts and  
9 intermediate districts, in accordance with section 17 of the  
10 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,  
11 that have a promise zone development plan approved by the  
12 department of treasury under section 7 of the Michigan promise zone  
13 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and  
14 intermediate districts shall use payments made under this section  
15 for reimbursement for qualified educational expenses as defined in  
16 section 3 of the Michigan promise zone authority act, 2008 PA 549,  
17 MCL 390.1663.

18 (3) The promise zone fund is created as a separate account  
19 within the state school aid fund to be used solely for the purposes  
20 of the Michigan promise zone authority act, 2008 PA 549, MCL  
21 390.1661 to 390.1679. All of the following apply to the promise  
22 zone fund:

23 (a) The state treasurer shall direct the investment of the  
24 promise zone fund. The state treasurer shall credit to the promise  
25 zone fund interest and earnings from fund investments.

26 (b) Money in the promise zone fund at the close of a fiscal  
27 year remains in the promise zone fund and does not lapse to the  
28 general fund.

29 (4) Subject to subsection (2), the state treasurer may make

1 payments from the promise zone fund to eligible districts and  
 2 intermediate districts under the Michigan promise zone authority  
 3 act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the  
 4 purposes of a promise zone authority created under that act.

5 (5) Notwithstanding section 17b, the department shall make  
 6 payments under this section on a schedule determined by the  
 7 department.

8 **Sec. 26d. (1) From the state school aid fund money**  
 9 **appropriated under section 11, there is allocated an amount not to**  
 10 **exceed \$7,500,000.00 for 2021-2022 for reimbursements to**  
 11 **intermediate districts as required under section 15b of the**  
 12 **brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.**

13 (2) The amounts reimbursed under subsection (1) must be used  
 14 by the intermediate district only for the purposes for which the  
 15 property taxes were originally levied.

16 (3) The Michigan strategic fund and the Michigan economic  
 17 development corporation shall work with the department of treasury  
 18 in identifying the amount of tax revenues that are to be reimbursed  
 19 under subsection (1).

20 (4) Notwithstanding section 17b, the department shall make  
 21 payments under this section on a schedule determined by the  
 22 department.

23 Sec. 28. (1) To recognize differentiated instructional costs  
 24 for different types of pupils in ~~2020-2021~~, **2021-2022**, the  
 25 following sections provide a weighted foundation allocation or an  
 26 additional payment of some type in the following amounts, as  
 27 allocated under those sections:

28 (a) Section 22d, isolated and rural districts,  
 29 ~~\$7,000,000.00.~~ **\$7,342,700.00.**

1 (b) Section 31a, at risk, standard programming,  
2 \$510,000,000.00.

3 (c) Section 31a, at risk, additional payment, \$12,000,000.00.

4 (d) Section 41, bilingual education for English language  
5 learners, \$13,000,000.00.

6 (e) Section 51c, special education, mandated percentages,  
7 ~~\$713,400,000.00~~-\$733,000,000.00.

8 (f) Section 51f, special education, additional percentages,  
9 \$60,207,000.00.

10 (g) Section 61a, career and technical education, standard  
11 reimbursement, \$37,611,300.00.

12 (h) Section 61d, career and technical education incentives,  
13 \$5,000,000.00.

14 (2) The funding described in subsection (1) is not a separate  
15 allocation of any funding but is instead a listing of funding  
16 allocated in the sections listed in subsection (1).

17 Sec. 31a. (1) From the state school aid fund money  
18 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~  
19 **2022** an amount not to exceed ~~\$535,150,000.00~~-\$536,650,000.00 for  
20 payments to eligible districts and eligible public school academies  
21 for the purposes of ensuring that pupils are proficient in English  
22 language arts by the end of grade 3, that pupils are proficient in  
23 mathematics by the end of grade 8, that pupils are attending school  
24 regularly, that high school graduates are career and college ready,  
25 and for the purposes under subsections ~~(7)-(6)~~ and ~~(8)-(7)~~.

26 (2) For a district that has combined state and local revenue  
27 per membership pupil under section 20 that is greater than the  
28 target foundation allowance under section 20 for the current fiscal  
29 year and that, for the immediately preceding fiscal year, had

1 combined state and local revenue per membership pupil under section  
 2 20 that was greater than the target foundation allowance under  
 3 section 20 that was in effect for that fiscal year, the allocation  
 4 under ~~this section~~ **subsection (4)** is an amount equal to ~~30%~~ **35%** of  
 5 the allocation for which it would otherwise be eligible under ~~this~~  
 6 ~~section~~ **subsection (4)** before any proration under subsection ~~(14)~~.  
 7 **(11)**. It is the intent of the legislature that, if revenues are  
 8 sufficient and if districts with combined state and local revenue  
 9 per membership pupil under section 20 that is below the target  
 10 foundation allowance are receiving nonprorated payments under ~~this~~  
 11 ~~section~~, **subsection (4)**, the percentage in the immediately  
 12 preceding sentence must be increased annually until it reaches  
 13 100%. If a district has combined state and local revenue per  
 14 membership pupil under section 20 that is greater than the target  
 15 foundation allowance under section 20 for the current fiscal year,  
 16 but for the 2018-2019 fiscal year had combined state and local  
 17 revenue per membership pupil under section 20 that was less than  
 18 the basic foundation allowance under section 20 that was in effect  
 19 for the 2018-2019 fiscal year, the district shall receive an amount  
 20 per pupil equal to 11.5% of the statewide weighted average  
 21 foundation allowance, as applied under subsection (4), and before  
 22 any proration under subsection ~~(14)~~. **(11)**.

23 (3) For a district or public school academy to be eligible to  
 24 receive funding under this section, other than funding under  
 25 subsection ~~(7)~~ **(6)** or ~~(8)~~, **(7)**, the district or public school  
 26 academy, for grades K to 12, must comply with the requirements  
 27 under section 1280f of the revised school code, MCL 380.1280f, and  
 28 shall use resources to address early literacy and numeracy, and for  
 29 at least grades K to 12 or, if the district or public school

1 academy does not operate all of grades K to 12, for all of the  
 2 grades it operates, must implement a multi-tiered system of  
 3 supports that is an evidence based framework that uses data driven  
 4 problem solving to integrate academic and behavioral instruction  
 5 and that uses intervention delivered to all pupils in varying  
 6 intensities based on pupil needs. The multi-tiered system of  
 7 supports described in this subsection must provide at least all of  
 8 the following essential components:

9 (a) Team-based leadership.

10 (b) A tiered delivery system.

11 (c) Selection and implementation of instruction,  
 12 interventions, and supports.

13 (d) A comprehensive screening and assessment system.

14 (e) Continuous data-based decision making.

15 (4) From the funds allocated under subsection (1), there is  
 16 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed  
 17 \$510,000,000.00 to continue a weighted foundation per pupil payment  
 18 for districts and public school academies enrolling economically  
 19 disadvantaged pupils. The department shall pay under this ~~section~~  
 20 **subsection** to each eligible district or eligible public school  
 21 academy an amount per pupil equal to 11.5% of the statewide  
 22 weighted average foundation allowance for the following, as  
 23 applicable:

24 (a) Except as otherwise provided under subdivision (b), (c),  
 25 or (d) the greater of the following:

26 (i) The number of membership pupils in the district or public  
 27 school academy who are determined to be economically disadvantaged,  
 28 as reported to the center in the form and manner prescribed by the  
 29 center not later than the fifth Wednesday after the pupil

1 membership count day of the immediately preceding fiscal year.

2 (ii) If the district or public school academy is in the  
3 community eligibility program, the number of pupils determined to  
4 be eligible based on the product of the identified student  
5 percentage multiplied by the total number of pupils in the district  
6 or public school academy, as reported to the center in the form and  
7 manner prescribed by the center not later than the fifth Wednesday  
8 after the pupil membership count day of the immediately preceding  
9 fiscal year. These calculations must be made at the building level.  
10 This subparagraph only applies to an eligible district or eligible  
11 public school academy for the fiscal year immediately following the  
12 first fiscal year in which it is in the community eligibility  
13 program. As used in this subparagraph, "identified student  
14 percentage" means the quotient of the number of pupils in an  
15 eligible district or eligible public school academy who are  
16 determined to be economically disadvantaged, as reported to the  
17 center in a form and manner prescribed by the center, not later  
18 than the fifth Wednesday after the pupil membership count day in  
19 the fiscal year preceding the first fiscal year in which the  
20 eligible district or eligible public school academy is in the  
21 community eligibility program, divided by the total number of  
22 pupils counted in an eligible district or eligible public school  
23 academy on the pupil membership count day in the fiscal year  
24 preceding the first fiscal year in which the eligible district or  
25 eligible public school academy is in the community eligibility  
26 program.

27 (b) If the district or public school academy began operations  
28 as a district or public school academy after the pupil membership  
29 count day of the immediately preceding school year, the number of

1 membership pupils in the district or public school academy who are  
2 determined to be economically disadvantaged, as reported to the  
3 center in the form and manner prescribed by the center not later  
4 than the fifth Wednesday after the pupil membership count day of  
5 the current fiscal year.

6 (c) If the district or public school academy began operations  
7 as a district or public school academy after the pupil membership  
8 count day of the current fiscal year, the number of membership  
9 pupils in the district or public school academy who are determined  
10 to be economically disadvantaged, as reported to the center in the  
11 form and manner prescribed by the center not later than the fifth  
12 Wednesday after the supplemental count day of the current fiscal  
13 year.

14 (d) If, for a particular fiscal year, the number of membership  
15 pupils in a district or public school academy who are determined  
16 under subdivision (a) to be economically disadvantaged or to be  
17 eligible based on the identified student percentage varies by more  
18 than 20 percentage points from the number of those pupils in the  
19 district or public school academy as calculated under subdivision  
20 (a) for the immediately preceding fiscal year caused by an  
21 egregious reporting error by the district or public school academy,  
22 the department may choose to have the calculations under  
23 subdivision (a) instead be made using the number of membership  
24 pupils in the district or public school academy who are determined  
25 to be economically disadvantaged, as reported to the center in the  
26 form and manner prescribed by the center not later than the fifth  
27 Wednesday after the supplemental count day of the immediately  
28 preceding fiscal year.

29 (5) ~~Except as otherwise provided in this section, a district~~

~~1 or public school academy receiving funding under this section shall~~  
~~2 use that money only to provide instructional programs and direct~~  
~~3 noninstructional services, including, but not limited to, medical,~~  
~~4 mental health, or counseling services, for at-risk pupils; for~~  
~~5 school health clinics; and for the purposes of subsection (6), (7),~~  
~~6 or (8). In addition, a district that is a school district of the~~  
~~7 first class or a district or public school academy in which at~~  
~~8 least 50% of the pupils in membership were determined to be~~  
~~9 economically disadvantaged in the immediately preceding state~~  
~~10 fiscal year, as determined and reported as described in subsection~~  
~~11 (4), may use not more than 20% of the funds it receives under this~~  
~~12 section for school security that aligns to the needs assessment and~~  
~~13 the multi-tiered system of supports model. A district or public~~  
~~14 school academy shall not use any of that **the money received under**~~  
~~15 **this section** for administrative costs. The instruction or direct~~  
~~16 noninstructional services provided under this section may be~~  
~~17 conducted before or after regular school hours or by adding extra~~  
~~18 school days to the school year.~~

~~19 (6) A district or public school academy that receives funds~~  
~~20 under this section and that operates a school breakfast program~~  
~~21 under section 1272a of the revised school code, MCL 380.1272a,~~  
~~22 shall use from the funds received under this section an amount, not~~  
~~23 to exceed \$10.00 per pupil for whom the district or public school~~  
~~24 academy receives funds under this section, necessary to pay for~~  
~~25 costs associated with the operation of the school breakfast~~  
~~26 program.~~

~~27 (6) (7) From the funds allocated under subsection (1), there~~  
~~28 is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed~~  
~~29 \$8,000,000.00 to support primary health care services provided to~~

1 children and adolescents up to age 21. These funds must be expended  
 2 in a form and manner determined jointly by the department and the  
 3 department of health and human services. If any funds allocated  
 4 under this subsection are not used for the purposes of this  
 5 subsection for the fiscal year in which they are allocated, those  
 6 unused funds must be used that fiscal year to avoid or minimize any  
 7 proration that would otherwise be required under subsection ~~(14)~~  
 8 **(11)** for that fiscal year.

9 **(7)** ~~(8)~~—From the funds allocated under subsection (1), there  
 10 is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed  
 11 ~~\$5,150,000.00~~ **\$6,650,000.00** for the state portion of the hearing,  
 12 ~~and vision, and dental~~ screenings as described in ~~section 9301-part~~  
 13 **93** of the public health code, 1978 PA 368, MCL 333.9301 ~~to~~  
 14 **333.9329**. A local public health department shall pay at least 50%  
 15 of the total cost of the screenings. The frequency of the **vision**  
 16 screenings must be as required under R 325.13091 to R 325.13096 and  
 17 **the frequency of the hearing screenings must be as required under R**  
 18 **325.3271 to R 325.3276** of the Michigan Administrative Code. Funds  
 19 must be awarded in a form and manner approved jointly by the  
 20 department and the department of health and human services.  
 21 Notwithstanding section 17b, the department shall make payments to  
 22 eligible entities under this subsection on a schedule determined by  
 23 the department.

24 **(8)** ~~(9)~~—Each district or public school academy receiving funds  
 25 under this section shall submit to the department by July 15 of  
 26 each fiscal year a report, in the form and manner prescribed by the  
 27 department, that includes a brief description of each program  
 28 conducted or services performed by the district or public school  
 29 academy using funds under this section, the amount of funds under

1 this section allocated to each of those programs or services, the  
2 total number of at risk pupils served by each of those programs or  
3 services, and the data necessary for the department and the  
4 department of health and human services to verify matching funds  
5 for the temporary assistance for needy families program. In  
6 prescribing the form and manner of the report, the department shall  
7 ensure that districts are allowed to expend funds received under  
8 this section on any activities that are permissible under this  
9 section. If a district or public school academy does not comply  
10 with this subsection, the department shall withhold an amount equal  
11 to the August payment due under this section until the district or  
12 public school academy complies with this subsection. If the  
13 district or public school academy does not comply with this  
14 subsection by the end of the fiscal year, the withheld funds are  
15 forfeited to the school aid fund.

16 (9) ~~(10)~~—In order to receive funds under this section, a  
17 district or public school academy must allow access for the  
18 department or the department's designee to audit all records  
19 related to the program for which it receives those funds. The  
20 district or public school academy shall reimburse the state for all  
21 disallowances found in the audit.

22 ~~(11) Subject to subsections (6), (7), and (8), for schools in~~  
23 ~~which more than 40% of pupils are identified as at-risk, a district~~  
24 ~~or public school academy may use the funds it receives under this~~  
25 ~~section to implement tier 1, evidence-based practices in schoolwide~~  
26 ~~reforms that are guided by the district's comprehensive needs~~  
27 ~~assessment and are included in the district improvement plan.~~  
28 ~~Schoolwide reforms must include parent and community supports,~~  
29 ~~activities, and services, that may include the pathways to~~

1 ~~potential program created by the department of health and human~~  
 2 ~~services or the communities in schools program. As used in this~~  
 3 ~~subsection, "tier 1, evidence-based practices" means research based~~  
 4 ~~instruction and classroom interventions that are available to all~~  
 5 ~~learners and effectively meet the needs of most pupils.~~

6 ~~(12) A district or public school academy that receives funds~~  
 7 ~~under this section may use up to 7.5% of those funds to provide~~  
 8 ~~research based professional development and to implement a coaching~~  
 9 ~~model that supports the multi-tiered system of supports framework.~~  
 10 ~~Professional development may be provided to district and school~~  
 11 ~~leadership and teachers and must be aligned to professional~~  
 12 ~~learning standards; integrated into district, school building, and~~  
 13 ~~classroom practices; and solely related to the following:~~

14 ~~(a) Implementing the multi-tiered system of supports required~~  
 15 ~~in subsection (3) with fidelity and utilizing the data from that~~  
 16 ~~system to inform curriculum and instruction.~~

17 ~~(b) Implementing section 1280f of the revised school code, MCL~~  
 18 ~~380.1280f, as required under subsection (3), with fidelity.~~

19 ~~(10) (13)~~A district or public school academy that receives  
 20 funds under ~~this section~~**subsections (4) or (13)** may use funds  
 21 received under ~~this section to~~**subsections (4) or (13) for** support  
 22 instructional or behavioral coaches. Funds used for this purpose  
 23 are not subject to the cap under subsection ~~(12)~~**.staff providing**  
 24 **services to at-risk pupils.**

25 ~~(11) (14)~~If necessary, and before any proration required  
 26 under section 296, the department shall prorate payments under this  
 27 section, except payments under subsection ~~(7), (8), or (16), (6),~~  
 28 ~~(7), or (13),~~ by reducing the amount of the allocation as otherwise  
 29 calculated under this section by an equal percentage per district.

1           **(12)** ~~(15)~~—If a district is dissolved pursuant to section 12 of  
 2 the revised school code, MCL 380.12, the intermediate district to  
 3 which the dissolved district was constituent shall determine the  
 4 estimated number of pupils that are economically disadvantaged and  
 5 that are enrolled in each of the other districts within the  
 6 intermediate district and provide that estimate to the department  
 7 for the purposes of distributing funds under this section within 60  
 8 days after the district is declared dissolved.

9           **(13)** ~~(16)~~—From the funds allocated under subsection (1), there  
 10 is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed  
 11 \$12,000,000.00 for payments to districts and public school  
 12 academies that otherwise received an allocation under this  
 13 subsection for ~~2019-2020-2020-2021~~ and whose allocation under this  
 14 section for ~~2019-2020,~~ **2020-2021**, excluding any payments under  
 15 subsection ~~(7) or (8),~~ **(6) or (7)**, would have been more than the  
 16 district's or public school academy's allocation under this section  
 17 for ~~2020-2021-2021-2022~~ as calculated under subsection (4) only and  
 18 as adjusted under subsection ~~(14).~~ **(11)**. The allocation for each  
 19 district or public school academy under this subsection is an  
 20 amount equal to its allocation under this section for ~~2019-2020~~  
 21 **2020-2021** minus its allocation as otherwise calculated under  
 22 subsection (4) for ~~2020-2021,~~ **2021-2022** as adjusted by subsection  
 23 ~~(14),~~ **(11)**, using in those calculations the 2017-2018 number of  
 24 pupils determined to be economically disadvantaged. However, if the  
 25 allocation as otherwise calculated under this subsection would have  
 26 been less than \$0.00, the allocation under this subsection is  
 27 \$0.00. If necessary, and before any proration required under  
 28 section 296, the department shall prorate payments under this  
 29 subsection by reducing the amount of the allocation as otherwise

1 calculated under this subsection by an equal percentage per  
 2 district or public school academy. Any unexpended funds under this  
 3 subsection are to be distributed through payments made under  
 4 subsection (4) as provided under subsection (4), but those funds  
 5 must not be factored into calculating payments under this  
 6 subsection.

7 ~~(17) A district or public school academy that receives funds~~  
 8 ~~under this section may use funds received under this section to~~  
 9 ~~provide an anti-bullying or crisis intervention program.~~

10 **(14)** ~~(18)~~ The department shall collaborate with the department  
 11 of health and human services to prioritize assigning Pathways to  
 12 Potential Success coaches to elementary schools that have a high  
 13 percentage of pupils in grades K to 3 who are not proficient in  
 14 English language arts, based upon state assessments for pupils in  
 15 those grades.

16 **(15)** ~~(19)~~ As used in this section:

17 (a) "At-risk pupil" means a pupil in grades ~~K~~**pre-K** to 12 for  
 18 whom the district has documentation that the pupil meets any of the  
 19 following criteria:

20 (i) The pupil is economically disadvantaged.

21 (ii) The pupil is an English language learner.

22 (iii) The pupil is chronically absent as defined by and reported  
 23 to the center.

24 (iv) The pupil is a victim of child abuse or neglect.

25 (v) The pupil is a pregnant teenager or teenage parent.

26 (vi) The pupil has a family history of school failure,  
 27 incarceration, or substance abuse.

28 (vii) The pupil is an immigrant who has immigrated within the  
 29 immediately preceding 3 years.

1           (viii) The pupil did not complete high school in 4 years and is  
2 still continuing in school as identified in the Michigan cohort  
3 graduation and dropout report.

4           (ix) For pupils for whom the results of the state summative  
5 assessment have been received, is a pupil who did not achieve  
6 proficiency on the English language arts, mathematics, science, or  
7 social studies content area assessment.

8           (x) Is a pupil who is at risk of not meeting the district's or  
9 public school academy's core academic curricular objectives in  
10 English language arts or mathematics, as demonstrated on local  
11 assessments.

12           (b) "Economically disadvantaged" means a pupil who has been  
13 determined eligible for free or reduced-price meals as determined  
14 under the Richard B. Russell national school lunch act, 42 USC 1751  
15 to 1769j; who is in a household receiving supplemental nutrition  
16 assistance program or temporary assistance for needy families  
17 assistance; or who is homeless, migrant, or in foster care, as  
18 reported to the center.

19           (c) "English language learner" means limited English  
20 proficient pupils who speak a language other than English as their  
21 primary language and have difficulty speaking, reading, writing, or  
22 understanding English as reported to the center.

23           (d) "Statewide weighted average foundation allowance" means  
24 the number that is calculated by adding together the result of each  
25 district's or public school academy's foundation allowance, not to  
26 exceed the target foundation allowance for the current fiscal year,  
27 or per-pupil payment calculated under section 20 multiplied by the  
28 number of pupils in membership in that district or public school  
29 academy, and then dividing that total by the statewide number of

1 pupils in membership.

2       Sec. 31b. (1) From the state school aid fund money  
3 appropriated in section 11, there is allocated an amount not to  
4 exceed \$25,000,000.00 for 2021-2022 for competitive grants to  
5 eligible districts to implement a balanced calendar instructional  
6 program in at least 1 school operated by the eligible district. An  
7 eligible district may receive only 1 grant under this section for  
8 each school operated by the eligible district that will implement a  
9 balanced calendar instructional program.

10       (2) A district to which both of the following apply is an  
11 eligible district under this section:

12       (a) The board of the district has adopted a resolution stating  
13 that the district will implement, for the first time, a balanced  
14 calendar instructional program beginning with the 2022-2023 school  
15 year for each school operated by the district for which it is  
16 seeking funding under this section.

17       (b) The district pledges to provide the balanced calendar  
18 instructional program in each school described in subdivision (a)  
19 for at least 5 consecutive school years.

20       (3) A district seeking a grant under this section must apply  
21 for the grant to the department, in a form and manner prescribed by  
22 the department, by not later than December 1, 2021. The department  
23 shall select the districts that will receive grants under this  
24 section and provide notice of its selections by not later than  
25 February 1, 2022.

26       (4) The department shall award grants under this section on a  
27 competitive basis, but shall place priority on providing funding  
28 under this section to schools operated by districts that have not  
29 already received a grant under this section.

1           (5) For each school operated by the eligible district for  
2 which the eligible district requests funding under this section,  
3 the department shall award a grant to each eligible district in an  
4 amount that does not exceed \$150,000.00.

5           (6) An eligible district that receives funding under this  
6 section shall ensure that the funding is only used for either of  
7 the following:

8           (a) Any necessary modifications to instructional facilities of  
9 the eligible district, as approved by the department.

10           (b) Nonrecurring costs related to preparing for the operation  
11 of a balanced calendar instructional program, as approved by the  
12 department.

13           (7) An eligible district that receives funding under this  
14 section is not required to provide a number of hours and days of  
15 pupil instruction to pupils that is greater than the minimum number  
16 of hours and days of pupil instruction required under section  
17 101(3), but shall spread at least 1,098 hours and 180 days of the  
18 pupil instruction it provides to pupils throughout the entire  
19 school year in each of the schools it operates in which a balanced  
20 calendar instructional program is being implemented and for which  
21 it received funding under this section.

22           (8) For an eligible district that receives funding under this  
23 section, excessive heat is considered to be a condition not within  
24 the control of school authorities under section 101(4).

25           (9) If an eligible district that receives funding under this  
26 section does not provide a balanced calendar instructional program  
27 in each school described in subsection (2)(a) for at least 5  
28 consecutive school years, the eligible district will be required to  
29 refund the department in the proportionate amount it received under

1 this section for the fiscal year ending September 30, 2022 for each  
2 school described in subsection (2) (a) operated by the district that  
3 did not provide a balanced calendar instructional program for at  
4 least 5 consecutive school years for each year that the school did  
5 not provide the program as described in this sentence. As used in  
6 this subsection, "proportionate amount" means 1/5 of the amount  
7 that the eligible district received under this section for the  
8 fiscal year ending September 30, 2022 for a school described in  
9 subsection (2) (a) operated by the district that did not provide a  
10 balanced calendar instructional program for at least 5 consecutive  
11 school years.

12 (10) Notwithstanding section 17b, the department shall make  
13 grant payments to districts under this section on a schedule  
14 determined by the department.

15 Sec. 31d. (1) From the appropriations in section 11, there is  
16 allocated an amount not to exceed ~~\$23,144,000.00 for 2020-2021~~  
17 **\$23,838,400.00 for 2021-2022** for the purpose of making payments to  
18 districts and other eligible entities under this section.

19 (2) The amounts allocated from state sources under this  
20 section are used to pay the amount necessary to reimburse districts  
21 for 6.0127% of the necessary costs of the state mandated portion of  
22 lunch programs provided by those districts. The department shall  
23 calculate the amount due to each district under this section using  
24 the methods of calculation adopted by the Michigan supreme court in  
25 the consolidated cases known as *Durant v State of Michigan*, 456  
26 Mich 175 (1997).

27 (3) The payments made under this section include all state  
28 payments made to districts so that each district receives at least  
29 6.0127% of the necessary costs of operating the state mandated

1 portion of the lunch program in a fiscal year.

2 (4) The payments made under this section to districts and  
 3 other eligible entities that are not required under section 1272a  
 4 of the revised school code, MCL 380.1272a, to provide a lunch  
 5 program must ~~, except for in 2020-2021,~~ be in an amount not to  
 6 exceed \$10.00 per eligible pupil plus 5 cents for each free lunch  
 7 and 2 cents for each reduced price lunch provided, as determined by  
 8 the department. ~~For 2020-2021 only, the amount described in this~~  
 9 ~~subsection is not to exceed \$10.00 per eligible pupil plus 5 cents~~  
 10 ~~for each lunch provided, as determined by the department.~~

11 (5) From the federal funds appropriated in section 11, there  
 12 is allocated ~~for 2020-2021 all available federal funding, estimated~~  
 13 ~~at \$545,000,000.00~~ **for 2021-2022 all available federal funding,**  
 14 **estimated at \$545,000,000.00,** for child nutrition programs and all  
 15 available federal funding, estimated at ~~\$5,000,000.00~~  
 16 **\$11,000,000.00,** for food distribution programs.

17 (6) Notwithstanding section 17b, the department shall make  
 18 payments to eligible entities other than districts under this  
 19 section on a schedule determined by the department.

20 (7) In purchasing food for a lunch program funded under this  
 21 section, a district or other eligible entity shall give preference  
 22 to food that is grown or produced by Michigan businesses if it is  
 23 competitively priced and of comparable quality.

24 Sec. 31f. (1) From the ~~appropriations~~ **state school aid fund**  
 25 **money appropriated** in section 11, there is allocated an amount not  
 26 to exceed ~~\$4,500,000.00 for 2020-2021~~ **\$11,900,000.00 for 2021-2022**  
 27 for the purpose of making payments to districts to reimburse for  
 28 the cost of providing breakfast.

29 (2) The funds allocated under this section for school

1 breakfast programs are made available to all eligible applicant  
2 districts that meet all of the following criteria:

3 (a) The district participates in the federal school breakfast  
4 program and meets all standards as prescribed by 7 CFR parts 210,  
5 220, 225, 226, and 245.

6 (b) Each breakfast eligible for payment meets the federal  
7 standards described in subdivision (a).

8 (3) The payment for a district under this section is at a per  
9 meal rate equal to the lesser of the district's actual cost or 100%  
10 of the statewide average cost of a meal served, as determined and  
11 approved by the department, less federal reimbursement, participant  
12 payments, and other state reimbursement. The department shall  
13 determine the statewide average cost using costs as reported in a  
14 manner approved by the department for the preceding school year.

15 (4) Notwithstanding section 17b, the department may make  
16 payments under this section pursuant to an agreement with the  
17 department.

18 (5) In purchasing food for a school breakfast program funded  
19 under this section, a district shall give preference to food that  
20 is grown or produced by Michigan businesses if it is competitively  
21 priced and of comparable quality.

22 Sec. 31m. (1) The school mental health and support services  
23 fund is created as a separate account within the state school aid  
24 fund.

25 (2) The state treasurer may receive money or other assets from  
26 any source for deposit into the school mental health and support  
27 services fund. The state treasurer shall direct the investment of  
28 the school mental health and support services fund and shall credit  
29 to the school mental health and support services fund interest and

1 earnings from the school mental health and support services fund.

2 (3) Money available in the school mental health and support  
3 services fund ~~shall~~**must** not be expended without a specific  
4 appropriation.

5 (4) Money in the school mental health and support services  
6 fund at the close of the fiscal year ~~shall remain in the school~~  
7 ~~mental health and support services fund and shall not lapse~~**lapses**  
8 to the state school aid fund. ~~or to the general fund.~~ The  
9 department of treasury shall be the administrator of the school  
10 mental health and support services fund for auditing purposes.

11 (5) For the fiscal year ending September 30, 2018,  
12 \$30,000,000.00 from the state school aid fund shall be deposited  
13 into the school mental health and support services fund to be used  
14 to support efforts to improve mental health and support services  
15 for K-12 pupils in this state, including, but not limited to,  
16 improved access to counseling services, educational awareness  
17 programs, and enhanced mental health and clinical services.

18 Sec. 31n. (1) From the state school aid fund money  
19 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~  
20 **2022** for the purposes of this section an amount not to exceed  
21 ~~\$55,600,000.00~~**\$39,850,000.00** and from the general fund money  
22 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~  
23 **2022** for the purposes of this section an amount not to exceed  
24 \$1,300,000.00. The department and the department of health and  
25 human services shall continue a program to distribute this funding  
26 to add licensed behavioral health providers for general education  
27 pupils, and shall continue to seek federal Medicaid match funding  
28 for all eligible mental health and support services.

29 (2) The department and the department of health and human

1 services shall maintain an advisory council for programs funded  
2 under this section. The advisory council shall define goals for  
3 implementation of programs funded under this section, and shall  
4 provide feedback on that implementation. At a minimum, the advisory  
5 council shall consist of representatives of state associations  
6 representing school health, school mental health, school  
7 counseling, education, health care, and other organizations,  
8 representatives from the department and the department of health  
9 and human services, and a representative from the school safety  
10 task force created under Executive Order No. 2018-5. The department  
11 and department of health and human services, working with the  
12 advisory council, shall determine an approach to increase capacity  
13 for mental health and support services in schools for general  
14 education pupils, and shall determine where that increase in  
15 capacity qualifies for federal Medicaid match funding.

16 (3) The advisory council shall develop a fiduciary agent  
17 checklist for intermediate districts to facilitate development of a  
18 plan to submit to the department and to the department of health  
19 and human services. The department and department of health and  
20 human services shall determine the requirements and format for  
21 intermediate districts to submit a plan for possible funding under  
22 subsection (5). The department shall make applications for funding  
23 for this program available to districts and intermediate districts  
24 not later than December 1, ~~2020-2021~~ for the ~~2020-2021-2021-2022~~  
25 fiscal year and shall award the funding not later than February 1,  
26 ~~2021-2022~~ for the ~~2020-2021-2021-2022~~ fiscal year.

27 (4) The department of health and human services shall seek to  
28 amend the state Medicaid plan or obtain appropriate Medicaid  
29 waivers as necessary for the purpose of generating additional

1 Medicaid match funding for school mental health and support  
2 services for general education pupils. The intent is that a  
3 successful state plan amendment or other Medicaid match mechanisms  
4 will result in additional federal Medicaid match funding for both  
5 the new funding allocated under this section and for any expenses  
6 already incurred by districts and intermediate districts for mental  
7 health and support services for general education pupils.

8 (5) From the state school aid fund money allocated under  
9 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an  
10 amount not to exceed ~~\$9,300,000.00~~**\$13,550,000.00** to be distributed  
11 to the network of child and adolescent health centers to place a  
12 licensed master's level behavioral health provider in schools that  
13 do not currently have services available to general education  
14 students. Child and adolescent health centers that are part of the  
15 network described in this subsection shall provide a commitment to  
16 maintain services and implement all available federal Medicaid  
17 match methodologies. The department of health and human services  
18 shall use all existing or additional federal Medicaid match  
19 opportunities to maximize funding allocated under this subsection.  
20 The department shall provide funds under this subsection to child  
21 and adolescent health centers that are part of the network  
22 described in this subsection in the same proportion that funding  
23 under section 31a(7) is provided to child and adolescent health  
24 centers that are part of the network described in this subsection  
25 and that are located and operating in those districts. A payment  
26 from funding allocated under this subsection must not be paid to an  
27 entity that is not part of the network described in this  
28 subsection.

29 (6) From the state school aid fund money allocated under

1 subsection (1), there is allocated for ~~2020-2021-2021-2022~~ an  
2 amount not to exceed ~~\$45,800,000.00~~ **\$25,800,000.00** to be  
3 distributed to intermediate districts for the provision of mental  
4 health and support services to general education students. From the  
5 funds allocated under this subsection, the department shall  
6 distribute ~~\$817,800.00~~ **\$460,700.00** for ~~2020-2021-2021-2022~~ to each  
7 intermediate district that submits a plan approved by the  
8 department and the department of health and human services. The  
9 department and department of health and human services shall work  
10 cooperatively in providing oversight and assistance to intermediate  
11 districts during the plan submission process and shall monitor the  
12 program upon implementation. An intermediate district shall use  
13 funds awarded under this subsection to provide funding to its  
14 constituent districts, including public school academies that are  
15 considered to be constituent districts under section 705(7) of the  
16 revised school code, MCL 380.705, for the provision of mental  
17 health and support services to general education students. In  
18 addition to the criteria identified under subsection (7), an  
19 intermediate district shall consider geography, cost, or other  
20 challenges when awarding funding to its constituent districts. ~~For~~  
21 ~~2020-2021 only, even if grants under this subsection have already~~  
22 ~~been received by constituent districts of an intermediate district~~  
23 ~~under this subsection, the intermediate district may award~~  
24 ~~additional grants to its constituent districts from funding~~  
25 ~~allocated through the amendatory act that added this sentence,~~  
26 ~~based on applications as described in subsection (7) that have~~  
27 ~~already been submitted for the fiscal year, and, if a constituent~~  
28 ~~district did not apply for initial grants as described in~~  
29 ~~subsection (7) before the effective date of the amendatory act that~~

1 ~~added this sentence and asks to apply for the additional grants~~  
2 ~~described in this sentence, the intermediate district must allow~~  
3 ~~the constituent district to submit an application for the~~  
4 ~~additional grant funding.~~ If funding awarded to an intermediate  
5 district remains after funds are provided by the intermediate  
6 district to its constituent districts, the intermediate district  
7 may hire or contract for experts to provide mental health and  
8 support services to general education students residing within the  
9 boundaries of the intermediate district, including, but not limited  
10 to, expanding, hiring, or contracting for staff and experts to  
11 provide those services directly or to increase access to those  
12 services through coordination with outside mental health agencies.

13 (7) A district requesting funds under this section from the  
14 intermediate district in which it is located shall submit an  
15 application for funding for the provision of mental health and  
16 support services to general education pupils. A district receiving  
17 funding from the application process described in this subsection  
18 shall provide services to nonpublic students upon request. An  
19 intermediate district shall not discriminate against an application  
20 submitted by a public school academy simply on the basis of the  
21 applicant being a public school academy. The department shall  
22 approve grant applications based on the following criteria:

23 (a) The district's commitment to maintain mental health and  
24 support services delivered by licensed providers into future fiscal  
25 years.

26 (b) The district's commitment to work with its intermediate  
27 district to use funding it receives under this section that is  
28 spent by the district for general education pupils toward  
29 participation in federal Medicaid match methodologies. A district

1 must provide a local match of at least 20% of the funding allocated  
2 to the district under section 31n.

3 (c) The district's commitment to adhere to any local funding  
4 requirements determined by the department and the department of  
5 health and human services.

6 (d) The extent of the district's existing partnerships with  
7 community health care providers or the ability of the district to  
8 establish such partnerships.

9 (e) The district's documentation of need, including gaps in  
10 current mental health and support services for the general  
11 education population.

12 (f) The district's submission of a formal plan of action  
13 identifying the number of schools and students to be served.

14 (g) Whether the district will participate in ongoing  
15 trainings.

16 (h) Whether the district will submit an annual report to the  
17 state.

18 (i) Whether the district demonstrates a willingness to work  
19 with the state to establish program and service delivery  
20 benchmarks.

21 (j) Whether the district has developed a school safety plan or  
22 is in the process of developing a school safety plan.

23 (k) Any other requirements determined by the department or the  
24 department of health and human services.

25 (8) Funding under this section, including any federal Medicaid  
26 funds that are generated, must not be used to supplant existing  
27 services.

28 (9) Both of the following are allocated to the department of  
29 health and human services from the general fund money allocated

1 under subsection (1):

2 (a) For ~~2020-2021~~, **2021-2022**, an amount not to exceed  
3 \$1,000,000.00 for the purpose of upgrading technology and systems  
4 infrastructure and other administrative requirements to support the  
5 programs funded under this section.

6 (b) For ~~2020-2021~~, **2021-2022**, an amount not to exceed  
7 \$300,000.00 for the purpose of administering the programs under  
8 this section and working on generating additional Medicaid funds as  
9 a result of programs funded under this section.

10 (10) From the state school aid fund money allocated under  
11 subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an  
12 amount not to exceed \$500,000.00 to intermediate districts on an  
13 equal per intermediate district basis for the purpose of  
14 administering programs funded under this section.

15 (11) The department and the department of health and human  
16 services shall work with the advisory council to develop proposed  
17 measurements of outcomes and performance. Those measurements must  
18 include, at a minimum, the number of pupils served, the number of  
19 schools served, and where those pupils and schools were located.  
20 The department and the department of health and human services  
21 shall compile data necessary to measure outcomes and performance,  
22 and districts and intermediate districts receiving funding under  
23 this section shall provide data requested by the department and  
24 department of health and human services for the measurement of  
25 outcomes and performance. The department and department of health  
26 and human services shall provide an annual report not later than  
27 December 1 of each year to the house and senate appropriations  
28 subcommittees on ~~state~~-school aid and health and human services, to  
29 the house and senate fiscal agencies, and to the state budget

1 director. At a minimum, the report must include measurements of  
2 outcomes and performance, proposals to increase efficacy and  
3 usefulness, proposals to increase performance, and proposals to  
4 expand coverage.

5 (12) ~~Beginning with 2018-2019, a~~ **A** district or intermediate  
6 district that receives funding directly or indirectly under this  
7 section may carry over any unexpended funds received under this  
8 section for up to 2 fiscal years beyond the fiscal year in which  
9 the funds were received.

10 Sec. 32d. (1) From the funds appropriated in section 11, there  
11 is allocated to eligible intermediate districts and consortia of  
12 intermediate districts for great start readiness programs an amount  
13 not to exceed ~~\$249,600,000.00~~ **\$281,100,000.00** for ~~2020-2021.~~ **2021-**  
14 **2022**. An intermediate district or consortium shall use funds  
15 allocated under this section for great start readiness programs to  
16 provide part-day, school-day, or GSRP/Head Start blended  
17 comprehensive free compensatory classroom programs designed to  
18 improve the readiness and subsequent achievement of educationally  
19 disadvantaged children who meet the participant eligibility and  
20 prioritization guidelines as defined by the department. For a child  
21 to be eligible to participate in a program under this section, the  
22 child must be at least 4, but less than 5, years of age as of  
23 September 1 of the school year in which the program is offered and  
24 must meet those eligibility and prioritization guidelines. A child  
25 who is not 4 years of age as of September 1, but who will be 4  
26 years of age not later than December 1, is eligible to participate  
27 if the child's parent or legal guardian seeks a waiver from the  
28 September 1 eligibility date by submitting a request for enrollment  
29 in a program to the responsible intermediate district, if the

1 program has capacity on or after September 1 of the school year,  
2 and if the child meets eligibility and prioritization guidelines.

3 (2) From the funds allocated under subsection (1), an amount  
4 not to exceed ~~\$247,600,000.00~~ **\$279,100,000.00** is allocated to  
5 intermediate districts or consortia of intermediate districts based  
6 on the formula in section 39. An intermediate district or  
7 consortium of intermediate districts receiving funding under this  
8 section shall act as the fiduciary for the great start readiness  
9 programs. In order to be eligible to receive funds allocated under  
10 this subsection from an intermediate district or consortium of  
11 intermediate districts, a district, a consortium of districts, or a  
12 public or private for-profit or nonprofit legal entity or agency  
13 must comply with this section and section 39.

14 (3) In addition to the allocation under subsection (1), from  
15 the general fund money appropriated under section 11, there is  
16 allocated an amount not to exceed \$350,000.00 for ~~2020-2021~~ **2021-**  
17 **2022** for a competitive grant to continue a longitudinal evaluation  
18 of children who have participated in great start readiness  
19 programs. ~~This evaluation must include, to the extent, for 2020-~~  
20 ~~2021, that data from the kindergarten readiness assessment are~~  
21 ~~available, a comparative analysis of the relationship between great~~  
22 ~~start readiness programs and performance on the kindergarten~~  
23 ~~readiness assessment funded under section 104. The evaluation must~~  
24 ~~use children wait-listed under this section for comparison, must~~  
25 ~~include a determination of the specific great start readiness~~  
26 ~~program in which the kindergarten students were enrolled and~~  
27 ~~attended in the previous school year, and must, to the extent, for~~  
28 ~~2020-2021, that data from the Michigan kindergarten entry~~  
29 ~~observation tool are available, analyze Michigan kindergarten entry~~

~~1 observation tool scores for students taking the Michigan  
 2 kindergarten entry observation tool each year and produce a report  
 3 as required under section 104. The performance data on the  
 4 kindergarten readiness assessment must be submitted to the center  
 5 at the same time as the fall Michigan student data system  
 6 collection. The responsibility for the analysis required under this  
 7 subsection may be added to the requirements that the department  
 8 currently has with its competitively designated current grantee.~~

9 (4) To be eligible for funding under this section, a program  
 10 must prepare children for success in school through comprehensive  
 11 part-day, school-day, or GSRP/Head Start blended programs that  
 12 contain all of the following program components, as determined by  
 13 the department:

14 (a) Participation in a collaborative recruitment and  
 15 enrollment process to assure that each child is enrolled in the  
 16 program most appropriate to his or her needs and to maximize the  
 17 use of federal, state, and local funds.

18 (b) An age-appropriate educational curriculum that is in  
 19 compliance with the early childhood standards of quality for  
 20 prekindergarten children adopted by the state board, including, at  
 21 least, the Connect4Learning curriculum.

22 (c) Nutritional services for all program participants  
 23 supported by federal, state, and local resources as applicable.

24 (d) Physical and dental health and developmental screening  
 25 services for all program participants.

26 (e) Referral services for families of program participants to  
 27 community social service agencies, including mental health  
 28 services, as appropriate.

29 (f) Active and continuous involvement of the parents or

1 guardians of the program participants.

2 (g) A plan to conduct and report annual great start readiness  
3 program evaluations and continuous improvement plans using criteria  
4 approved by the department.

5 (h) Participation in a school readiness advisory committee  
6 convened as a workgroup of the great start collaborative that  
7 provides for the involvement of classroom teachers, parents or  
8 guardians of program participants, and community, volunteer, and  
9 social service agencies and organizations, as appropriate. The  
10 advisory committee annually shall review and make recommendations  
11 regarding the program components listed in this subsection. The  
12 advisory committee also shall make recommendations to the great  
13 start collaborative regarding other community services designed to  
14 improve all children's school readiness.

15 (i) The ongoing articulation of the kindergarten and first  
16 grade programs offered by the program provider.

17 (j) Participation in this state's great start to quality  
18 process with a rating of at least 3 stars.

19 (5) An application for funding under this section must provide  
20 for the following, in a form and manner determined by the  
21 department:

22 (a) Ensure compliance with all program components described in  
23 subsection (4).

24 (b) Except as otherwise provided in this subdivision, ~~or~~  
25 ~~section,~~ ensure that at least 90% of the children participating in  
26 an eligible great start readiness program for whom the intermediate  
27 district is receiving funds under this section are children who  
28 live with families with a household income that is equal to or less  
29 than 250% of the federal poverty guidelines. If the intermediate

1 district determines that all eligible children are being served and  
2 that there are no children on the waiting list who live with  
3 families with a household income that is equal to or less than 250%  
4 of the federal poverty guidelines, the intermediate district may  
5 then enroll children who live with families with a household income  
6 that is equal to or less than 300% of the federal poverty  
7 guidelines. The enrollment process must consider income and risk  
8 factors, such that children determined with higher need are  
9 enrolled before children with lesser need. For purposes of this  
10 subdivision, ~~and subsection (27),~~ all age-eligible children served  
11 in foster care or who are experiencing homelessness or who have  
12 individualized education programs recommending placement in an  
13 inclusive preschool setting are considered to live with families  
14 with household income equal to or less than 250% of the federal  
15 poverty guidelines regardless of actual family income and are  
16 prioritized for enrollment within the lowest quintile.

17 (c) Ensure that the applicant only uses qualified personnel  
18 for this program, as follows:

19 (i) Teachers possessing proper training. A lead teacher must  
20 have a ~~valid~~ teaching certificate **recognized by any state** with an  
21 early childhood ~~(ZA or ZS)~~ **or lower elementary** endorsement, ~~or~~ a  
22 bachelor's or higher degree in child development or early childhood  
23 education with specialization in preschool teaching, **or at least 5**  
24 **years of experience as a paraprofessional**. However, if an applicant  
25 demonstrates to the department that it is unable to fully comply  
26 with this subparagraph after making reasonable efforts to comply,  
27 teachers who have significant but incomplete training in early  
28 childhood education or child development may be used if the  
29 applicant provides to the department, and the department approves,

1 a plan for each teacher to come into compliance with the standards  
2 in this subparagraph. A teacher's compliance plan must be completed  
3 within 2 years of the date of employment. Progress toward  
4 completion of the compliance plan consists of at least 2 courses  
5 per calendar year.

6 (ii) Paraprofessionals possessing proper training in early  
7 childhood education, ~~including that may include~~ an associate's  
8 degree in early childhood education or child development or the  
9 equivalent, or a child development associate (CDA) credential.  
10 However, if an applicant demonstrates to the department that it is  
11 unable to fully comply with this subparagraph after making  
12 reasonable efforts to comply, the applicant may use  
13 paraprofessionals who have completed at least 1 course that earns  
14 college credit in early childhood education or child development if  
15 the applicant provides to the department, and the department  
16 approves, a plan for each paraprofessional to come into compliance  
17 with the standards in this subparagraph. A paraprofessional's  
18 compliance plan must be completed within 2 years of the date of  
19 employment. Progress toward completion of the compliance plan  
20 consists of at least 2 courses or 60 clock hours of training per  
21 calendar year.

22 (d) Include a program budget that contains only those costs  
23 that are not reimbursed or reimbursable by federal funding, that  
24 are clearly and directly attributable to the great start readiness  
25 program, and that would not be incurred if the program were not  
26 being offered. Eligible costs include transportation costs. The  
27 program budget must indicate the extent to which these funds will  
28 supplement other federal, state, local, or private funds. An  
29 applicant shall not use funds received under this section to

1 supplant any federal funds received by the applicant to serve  
2 children eligible for a federally funded preschool program that has  
3 the capacity to serve those children.

4 (6) For a grant recipient that enrolls pupils in a school-day  
5 program funded under this section, each child enrolled in the  
6 school-day program is counted as described in section 39 for  
7 purposes of determining the amount of the grant award.

8 (7) For a grant recipient that enrolls pupils in a GSRP/Head  
9 Start blended program, the grant recipient shall ensure that all  
10 Head Start and GSRP policies and regulations are applied to the  
11 blended slots, with adherence to the highest standard from either  
12 program, to the extent allowable under federal law.

13 (8) An intermediate district or consortium of intermediate  
14 districts receiving a grant under this section shall designate an  
15 early childhood coordinator, and may provide services directly or  
16 may contract with 1 or more districts or public or private for-  
17 profit or nonprofit providers that ~~, except as otherwise provided~~  
18 ~~in this section,~~ meet all requirements of subsections (4) and (5).

19 (9) An intermediate district or consortium of intermediate  
20 districts may retain for administrative services provided by the  
21 intermediate district or consortium of intermediate districts an  
22 amount not to exceed 4% of the grant amount. Expenses incurred by  
23 subrecipients engaged by the intermediate district or consortium of  
24 intermediate districts for directly running portions of the program  
25 are considered program costs or a contracted program fee for  
26 service. Subrecipients operating with a federally approved indirect  
27 rate for other early childhood programs may include indirect costs,  
28 not to exceed the federal 10% de minimis.

29 (10) An intermediate district or consortium of intermediate

1 districts may expend not more than 2% of the total grant amount for  
2 outreach, recruiting, and public awareness of the program.

3       (11) ~~Except as otherwise provided in this section, each~~ **Each**  
4 grant recipient shall enroll children identified under subsection  
5 (5) (b) according to how far the child's household income is below  
6 250% of the federal poverty guidelines by ranking each applicant  
7 child's household income from lowest to highest and dividing the  
8 applicant children into quintiles based on how far the child's  
9 household income is below 250% of the federal poverty guidelines,  
10 and then enrolling children in the quintile with the lowest  
11 household income before enrolling children in the quintile with the  
12 next lowest household income until slots are completely filled. If  
13 the grant recipient determines that all eligible children are being  
14 served and that there are no children on the waiting list who live  
15 with families with a household income that is equal to or less than  
16 250% of the federal poverty guidelines, the grant recipient may  
17 then enroll children who live with families with a household income  
18 that is equal to or less than 300% of the federal poverty  
19 guidelines. The enrollment process must consider income and risk  
20 factors, such that children determined with higher need are  
21 enrolled before children with lesser need. For purposes of this  
22 subsection, ~~and subsection (27),~~ all age-eligible children served  
23 in foster care or who are experiencing homelessness or who have  
24 individualized education programs recommending placement in an  
25 inclusive preschool setting are considered to live with families  
26 with household income equal to or less than 250% of the federal  
27 poverty guidelines regardless of actual family income and are  
28 prioritized for enrollment within the lowest quintile.

29       (12) An intermediate district or consortium of intermediate

1 districts receiving a grant under this section shall allow parents  
2 of eligible children who are residents of the intermediate district  
3 or within the consortium to choose a program operated by or  
4 contracted with another intermediate district or consortium of  
5 intermediate districts and shall enter into a written agreement  
6 regarding payment, in a manner prescribed by the department.

7 (13) An intermediate district or consortium of intermediate  
8 districts receiving a grant under this section shall conduct a  
9 local process to contract with interested and eligible public and  
10 private for-profit and nonprofit community-based providers that  
11 meet all requirements of subsection (4) for at least 30% of its  
12 total allocation. For the purposes of this 30% allocation, an  
13 intermediate district or consortium of intermediate districts may  
14 count children served by a Head Start grantee or delegate in a  
15 blended Head Start and great start readiness school-day program.  
16 Children served in a program funded only through Head Start are not  
17 counted toward this 30% allocation. The intermediate district or  
18 consortium shall report to the department, in a manner prescribed  
19 by the department, a detailed list of community-based providers by  
20 provider type, including private for-profit, private nonprofit,  
21 community college or university, Head Start grantee or delegate,  
22 and district or intermediate district, and the number and  
23 proportion of its total allocation allocated to each provider as  
24 subrecipient. If the intermediate district or consortium is not  
25 able to contract for at least 30% of its total allocation, the  
26 grant recipient shall notify the department and, if the department  
27 verifies that the intermediate district or consortium attempted to  
28 contract for at least 30% of its total allocation and was not able  
29 to do so, then the intermediate district or consortium may retain

1 and use all of its allocation as provided under this section. To be  
2 able to use this exemption, the intermediate district or consortium  
3 shall demonstrate to the department that the intermediate district  
4 or consortium increased the percentage of its total allocation for  
5 which it contracts with a community-based provider and the  
6 intermediate district or consortium shall submit evidence  
7 satisfactory to the department, and the department must be able to  
8 verify this evidence, demonstrating that the intermediate district  
9 or consortium took measures to contract for at least 30% of its  
10 total allocation as required under this subsection, including, but  
11 not limited to, at least all of the following measures:

12 (a) The intermediate district or consortium notified each  
13 nonparticipating licensed child care center located in the service  
14 area of the intermediate district or consortium regarding the  
15 center's eligibility to participate, in a manner prescribed by the  
16 department.

17 (b) The intermediate district or consortium provided to each  
18 nonparticipating licensed child care center located in the service  
19 area of the intermediate district or consortium information  
20 regarding great start readiness program requirements and a  
21 description of the application and selection process for community-  
22 based providers.

23 (c) The intermediate district or consortium provided to the  
24 public and to participating families a list of community-based  
25 great start readiness program subrecipients with a great start to  
26 quality rating of at least 3 stars.

27 (14) If an intermediate district or consortium of intermediate  
28 districts receiving a grant under this section fails to submit  
29 satisfactory evidence to demonstrate its effort to contract for at

1 least 30% of its total allocation, as required under subsection  
2 (13), the department shall reduce the allocation to the  
3 intermediate district or consortium by a percentage equal to the  
4 difference between the percentage of an intermediate district's or  
5 consortium's total allocation awarded to community-based providers  
6 and 30% of its total allocation.

7 (15) In order to assist intermediate districts and consortia  
8 in complying with the requirement to contract with community-based  
9 providers for at least 30% of their total allocation, the  
10 department shall do all of the following:

11 (a) Ensure that a great start resource center or the  
12 department provides each intermediate district or consortium  
13 receiving a grant under this section with the contact information  
14 for each licensed child care center located in the service area of  
15 the intermediate district or consortium by March 1 of each year.

16 (b) Provide, or ensure that an organization with which the  
17 department contracts provides, a community-based provider with a  
18 validated great start to quality rating within 90 days of the  
19 provider's having submitted a request and self-assessment.

20 (c) Ensure that all intermediate district, district, community  
21 college or university, Head Start grantee or delegate, private for-  
22 profit, and private nonprofit providers are subject to a single  
23 great start to quality rating system. The rating system must ensure  
24 that regulators process all prospective providers at the same pace  
25 on a first-come, first-served basis and must not allow 1 type of  
26 provider to receive a great start to quality rating ahead of any  
27 other type of provider.

28 (d) Not later than March 1 of each year, compile the results  
29 of the information reported by each intermediate district or

1 consortium under subsection (13) and report to the legislature a  
 2 list by intermediate district or consortium with the number and  
 3 percentage of each intermediate district's or consortium's total  
 4 allocation allocated to community-based providers by provider type,  
 5 including private for-profit, private nonprofit, community college  
 6 or university, Head Start grantee or delegate, and district or  
 7 intermediate district.

8 (16) A recipient of funds under this section shall report to  
 9 the center in a form and manner prescribed by the center the  
 10 information necessary to derive the number of children  
 11 participating in the program who meet the program eligibility  
 12 criteria under subsection (5) (b), ~~subject to subsection (27),~~ the  
 13 number of eligible children not participating in the program and on  
 14 a waitlist, and the total number of children participating in the  
 15 program by various demographic groups and eligibility factors  
 16 necessary to analyze equitable and priority access to services for  
 17 the purposes of subsection (3).

18 (17) As used in this section:

19 (a) "GSRP/Head Start blended program" ~~, except as otherwise~~  
 20 ~~provided in this section,~~ means a part-day program funded under  
 21 this section and a Head Start program, which are combined for a  
 22 school-day program.

23 (b) "Federal poverty guidelines" means the guidelines  
 24 published annually in the Federal Register by the United States  
 25 Department of Health and Human Services under its authority to  
 26 revise the poverty line under 42 USC 9902.

27 (c) "Part-day program" ~~, except as otherwise provided in this~~  
 28 ~~section,~~ means a program that operates at least 4 days per week, 30  
 29 weeks per year, for at least 3 hours of teacher-child contact time

1 per day but for fewer hours of teacher-child contact time per day  
2 than a school-day program.

3 (d) "School-day program" ~~, except as otherwise provided in~~  
4 ~~this section,~~ means a program that operates for at least the same  
5 length of day as a district's first grade program for a minimum of  
6 4 days per week, 30 weeks per year. A classroom that offers a  
7 school-day program must enroll all children for the school day to  
8 be considered a school-day program.

9 (18) An intermediate district or consortium of intermediate  
10 districts receiving funds under this section shall establish and  
11 charge tuition according to a sliding scale of tuition rates based  
12 upon household income for children participating in an eligible  
13 great start readiness program who live with families with a  
14 household income that is more than 250% ~~, but, for 2020-2021 only,~~  
15 ~~who live with families with a household income that is more than~~  
16 ~~400%~~ of the federal poverty guidelines to be used by all of its  
17 providers, as approved by the department.

18 (19) From the amount allocated in subsection (2), there is  
19 allocated for ~~2020-2021-2021-2022~~ an amount not to exceed  
20 \$10,000,000.00 for reimbursement of transportation costs for  
21 children attending great start readiness programs funded under this  
22 section. To receive reimbursement under this subsection, not later  
23 than November 1 of each year, a program funded under this section  
24 that provides transportation shall submit to the intermediate  
25 district that is the fiscal agent for the program a projected  
26 transportation budget. The amount of the reimbursement for  
27 transportation under this subsection is no more than the projected  
28 transportation budget or \$300.00 multiplied by the number of  
29 children funded for the program under this section. If the amount

1 allocated under this subsection is insufficient to fully reimburse  
2 the transportation costs for all programs that provide  
3 transportation and submit the required information, the department  
4 shall prorate the reimbursement in an equal amount per child  
5 funded. The department shall make payments to the intermediate  
6 district that is the fiscal agent for each program, and the  
7 intermediate district shall then reimburse the program provider for  
8 transportation costs as prescribed under this subsection.

9 (20) Subject to, and from the funds allocated under,  
10 subsection (19), the department shall reimburse a program for  
11 transportation costs related to parent- or guardian-accompanied  
12 transportation provided by transportation service companies, buses,  
13 or other public transportation services. To be eligible for  
14 reimbursement under this subsection, a program must submit to the  
15 intermediate district or consortia of intermediate districts all of  
16 the following:

17 (a) The names of families provided with transportation support  
18 along with a documented reason for the need for transportation  
19 support and the type of transportation provided.

20 (b) Financial documentation of actual transportation costs  
21 incurred by the program, including, but not limited to, receipts  
22 and mileage reports, as determined by the department.

23 (c) Any other documentation or information determined  
24 necessary by the department.

25 (21) The department shall implement a process to review and  
26 approve age-appropriate comprehensive classroom level quality  
27 assessments for GSRP grantees that support the early childhood  
28 standards of quality for prekindergarten children adopted by the  
29 state board. The department shall make available to intermediate

1 districts at least 2 classroom level quality assessments that were  
2 approved in 2018.

3 (22) An intermediate district that is a GSRP grantee may  
4 approve the use of a supplemental curriculum that aligns with and  
5 enhances the age-appropriate educational curriculum in the  
6 classroom. If the department objects to the use of a supplemental  
7 curriculum approved by an intermediate district, the superintendent  
8 shall establish a review committee independent of the department.  
9 The review committee shall meet within 60 days of the department  
10 registering its objection in writing and provide a final  
11 determination on the validity of the objection within 60 days of  
12 the review committee's first meeting.

13 (23) The department shall implement a process to evaluate and  
14 approve age-appropriate educational curricula that are in  
15 compliance with the early childhood standards of quality for  
16 prekindergarten children adopted by the state board.

17 (24) From the funds allocated under subsection (1), there is  
18 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed  
19 \$2,000,000.00 for payments to intermediate districts or consortia  
20 of intermediate districts for professional development and training  
21 materials for educators in programs implementing new curricula.

22 (25) A great start readiness program or a GSRP/Head Start  
23 blended program funded under this section is permitted to utilize  
24 AmeriCorps Pre-K Reading Corps members in classrooms implementing  
25 research-based early literacy intervention strategies.

26 ~~(26) For the 2020-2021 program year only, the hours, days, and~~  
27 ~~weeks specified within the definitions under subsection (17) (a),~~  
28 ~~(c), and (d) do not apply to all grantees and subrecipients under~~  
29 ~~this section. However, for the 2020-2021 fiscal year only, grantees~~

1 ~~and subrecipients shall, at a minimum, provide pandemic learning~~  
2 ~~and programming on-site, at a different location, in-person,~~  
3 ~~online, digitally, by other remote means, in a synchronous or~~  
4 ~~asynchronous format, or through any combination therein that~~  
5 ~~results in an amount of hours, days, and weeks necessary to deliver~~  
6 ~~the educational or course content that would have been delivered in~~  
7 ~~a year in which pandemic learning was not provided and that~~  
8 ~~complies with requirements developed by the department. The~~  
9 ~~department shall publish uniform guidance concerning requirements~~  
10 ~~under this subsection for age-appropriate instruction that is~~  
11 ~~provided online, digitally, or by other remote means as part of~~  
12 ~~pandemic learning and programming provided under this subsection.~~  
13 ~~As used in this subsection, "pandemic learning" means a mode of~~  
14 ~~instruction provided as a result of the COVID-19 pandemic.~~

15 ~~(27) For the 2020-2021 program year only, household income~~  
16 ~~eligibility thresholds requiring household incomes that are equal~~  
17 ~~to or less than 250% of the federal poverty guidelines under~~  
18 ~~subsections (5) (b) and (11) do not apply for all grantees and~~  
19 ~~subrecipients under this section. However, for the 2020-2021~~  
20 ~~program year, all grantees and subrecipients must continue to~~  
21 ~~enroll children in the quintile with the lowest household income~~  
22 ~~first before enrolling the next quintile and must implement the~~  
23 ~~ranking process described in subsection (11) by first enrolling~~  
24 ~~children from households with incomes that are equal to or less~~  
25 ~~than 250% of the federal poverty guidelines, then enrolling~~  
26 ~~children from households with incomes that are equal to an amount~~  
27 ~~that is greater than 250% but less than or equal to 300% of the~~  
28 ~~federal poverty guidelines, then enrolling children from households~~  
29 ~~with incomes equal to an amount that is greater than 300% but less~~

1 ~~than or equal to 350% of the federal poverty guidelines, and then~~  
 2 ~~continuing enrollment in an order increasing in percentage from a~~  
 3 ~~percentage greater than 350% in relation to the federal poverty~~  
 4 ~~guidelines until all available slots are filled.~~

5 ~~(28) For the 2020-2021 program year only, intermediate~~  
 6 ~~districts will be awarded funding based on the total allocation~~  
 7 ~~under subsection (1) and the funding must be allocated to~~  
 8 ~~intermediate districts as prescribed under section 39. To receive~~  
 9 ~~funding as described in this subsection, an intermediate district~~  
 10 ~~must complete the department's process for accepting funds and~~  
 11 ~~implement its existing local process for funding current~~  
 12 ~~subrecipients under this section, including, but not limited to,~~  
 13 ~~adding any necessary new subrecipients and implementation of the~~  
 14 ~~program. Intermediate districts described in this subsection must~~  
 15 ~~report the children served under this section to the center for~~  
 16 ~~data-tracking purposes. The data described in this subsection must~~  
 17 ~~not be used to determine funding for the 2020-2021 program year or~~  
 18 ~~hold harmless funding levels for 2021-2022. Hold harmless funding~~  
 19 ~~for 2021-2022 must be determined based on the 2019-2020 final~~  
 20 ~~allocations under this section. Both of the following apply for the~~  
 21 ~~2020-2021 program year:~~

22 ~~(a) An intermediate district and its subrecipients under this~~  
 23 ~~section must conform to typical expenditures related to the~~  
 24 ~~operation of great start readiness programs to ensure the stability~~  
 25 ~~of the programs, including, but not limited to, ongoing program and~~  
 26 ~~staff costs.~~

27 ~~(b) Funding remaining after serving all eligible children, in~~  
 28 ~~accordance with subsections (5) (b) and (11), subject to subsection~~  
 29 ~~(27), or remaining from other program savings due to pandemic~~

~~1 learning must be used for the betterment of the program under this~~  
~~2 section and must be approved by the department. Intermediate~~  
~~3 districts and subrecipients under this section may only spend in~~  
~~4 accordance with the provisions of this subdivision if the~~  
~~5 intermediate district or subrecipient has demonstrated to the~~  
~~6 satisfaction of the department that no eligible children are on~~  
~~7 waitlists for the programs operated by the intermediate district or~~  
~~8 subrecipients under this section.~~

9       Sec. 32p. (1) From the ~~appropriation~~ **state school aid fund**  
 10 **money appropriated** in section 11, there is allocated an amount not  
 11 to exceed \$13,400,000.00 to intermediate districts for ~~2020-2021~~  
 12 **2021-2022** for the purpose of providing early childhood funding to  
 13 intermediate districts to support the goals and outcomes under  
 14 subsection (2) and subsection (4), and to provide early childhood  
 15 programs for children from birth through age 8. The funding  
 16 provided to each intermediate district under this section is  
 17 determined by the distribution formula established by the  
 18 department's office of great start to provide equitable funding  
 19 statewide. In order to receive funding under this section, each  
 20 intermediate district must provide an application to the office of  
 21 great start not later than September 15 of the immediately  
 22 preceding fiscal year indicating the strategies planned to be  
 23 provided.

24       (2) Each intermediate district or consortium of intermediate  
 25 districts that receives funding under this section shall convene a  
 26 local great start collaborative and a parent coalition **that**  
 27 **includes an active partnership with at least 1 community-based**  
 28 **organization.** The goal of each great start collaborative and parent  
 29 coalition is to ensure the coordination and expansion of local

1 early childhood infrastructure and programs that allow every child  
2 in the community to achieve the following outcomes:

3 (a) Children born healthy.

4 (b) Children healthy, thriving, and developmentally on track  
5 from birth to ~~third~~ grade 3.

6 (c) Children developmentally ready to succeed in school at the  
7 time of school entry.

8 (d) Children prepared to succeed in fourth grade and beyond by  
9 reading proficiently by the end of third grade.

10 (3) Each local great start collaborative and parent coalition  
11 shall convene workgroups to make recommendations about community  
12 services designed to achieve the outcomes described in subsection  
13 (2) and to ensure that its local great start system includes the  
14 following supports for children from birth through age 8:

15 (a) Physical health.

16 (b) Social-emotional health.

17 (c) Family supports and basic needs.

18 (d) Parent education.

19 (e) Early education, including the child's development of  
20 skills linked to success in foundational literacy, and care.

21 (4) From the funds allocated in subsection (1), at least  
22 \$2,500,000.00 must be used for the purpose of providing home visits  
23 to at-risk children and their families. The home visits must be  
24 conducted as part of a locally coordinated, family-centered,  
25 evidence-based, data-driven home visit strategic plan that is  
26 approved by the department. The goals of the home visits funded  
27 under this subsection are to improve school readiness using  
28 evidence-based methods, including a focus on developmentally  
29 appropriate outcomes for early literacy, to improve positive

1 parenting practices, and to improve family economic self-  
2 sufficiency while reducing the impact of high-risk factors through  
3 community resources and referrals. The department shall coordinate  
4 the goals of the home visit strategic plans approved under this  
5 subsection with other state agency home visit programs in a way  
6 that strengthens Michigan's home visiting infrastructure and  
7 maximizes federal funds available for the purposes of at-risk  
8 family home visits. The coordination among departments and agencies  
9 is intended to avoid duplication of state services and spending,  
10 and should emphasize efficient service delivery of home visiting  
11 programs.

12 (5) Not later than December 1 of each year, each intermediate  
13 district shall provide a report to the department detailing the  
14 strategies actually implemented during the immediately preceding  
15 school year and the families and children actually served. At a  
16 minimum, the report must include an evaluation of the services  
17 provided with additional funding under subsection (4) for home  
18 visits, using the goals identified in subsection (4) as the basis  
19 for the evaluation, including the degree to which school readiness  
20 was improved, the degree to which positive parenting practices were  
21 improved, the degree to which there was improved family economic  
22 self-sufficiency, and the degree to which community resources and  
23 referrals were utilized. The department shall compile and summarize  
24 these reports and submit its summary to the house and senate  
25 appropriations subcommittees on school aid and to the house and  
26 senate fiscal agencies not later than February 15 of each year.

27 (6) An intermediate district or consortium of intermediate  
28 districts that receives funding under this section may carry over  
29 any unexpended funds received under this section into the next

1 fiscal year and may expend those unused funds through June 30 of  
 2 the next fiscal year. However, an intermediate district or  
 3 consortium of intermediate districts that receives funding for the  
 4 purposes described in subsection (2) in fiscal year ~~2020-2021-2021-~~  
 5 **2022** shall not carry over into the next fiscal year any amount  
 6 exceeding ~~30%-~~**20%** of the amount awarded to the intermediate  
 7 district or consortium in the ~~2020-2021-~~**2021-2022** fiscal year. It  
 8 is intended that the amount carried over from funding awarded for  
 9 the purposes described in subsection (2) ~~in fiscal year 2021-2022~~  
 10 ~~not exceed 20% of the amount awarded in that fiscal year and the~~  
 11 ~~amount carried over from funding awarded for the purposes described~~  
 12 ~~in subsection (2) in fiscal year 2022-2023 not exceed 15% of the~~  
 13 amount awarded in that fiscal year. A recipient of a grant shall  
 14 return any unexpended grant funds to the department in the manner  
 15 prescribed by the department not later than September 30 of the  
 16 next fiscal year after the fiscal year in which the funds are  
 17 received.

18       Sec. 35a. (1) From the appropriations in section 11, there is  
 19 allocated for ~~2020-2021-2021-2022~~ for the purposes of this section  
 20 an amount not to exceed \$55,400,000.00 from the state school aid  
 21 fund. ~~and there is allocated for 2020-2021 for the purposes of~~  
 22 ~~subsection (8) an amount not to exceed \$2,773,000.00 from the~~  
 23 ~~general fund.~~The superintendent shall designate staff or  
 24 contracted employees funded under this section as critical  
 25 shortage. Programs funded under this section are intended to ensure  
 26 that this state will be a top 10 state in grade 4 reading  
 27 proficiency by 2025 according to the National Assessment of  
 28 Educational Progress (NAEP). **By December 31, 2021, the**  
 29 **superintendent of public instruction shall do both of the**

1 following:

2 (a) Report in person to the house appropriations subcommittee  
3 on school aid regarding progress on the goal described in this  
4 subsection and be available for questioning as prescribed through a  
5 process developed by the chair of the house appropriations  
6 subcommittee on school aid.

7 (b) Submit a written report to the house appropriations  
8 subcommittee on school aid regarding progress on the goal described  
9 in this subsection.

10 (2) A district that receives funds under subsection (5) may  
11 spend up to 5% of those funds for professional development for  
12 educators in a department-approved research-based training program  
13 related to current state literacy standards for pupils in grades  
14 pre-K to 3. The professional development must also include training  
15 in the use of screening and diagnostic tools, progress monitoring,  
16 and intervention methods used to address barriers to learning and  
17 delays in learning that are diagnosed through the use of these  
18 tools.

19 (3) A district that receives funds under subsection (5) may  
20 use up to 5% of those funds to administer department-approved  
21 screening and diagnostic tools to monitor the development of early  
22 literacy and early reading skills of pupils in grades pre-K to 3  
23 and to support research-based professional development for  
24 educators in administering screening and diagnostic tools and in  
25 data interpretation of the results obtained through the use of  
26 those tools for the purpose of implementing a multi-tiered system  
27 of support to improve reading proficiency among pupils in grades  
28 pre-K to 3. A department-approved screening and diagnostic tool  
29 administered by a district using funding under this section must

1 include all of the following components: phonemic awareness,  
2 phonics, fluency, and comprehension. Further, all of the following  
3 sub-skills must be assessed within each of these components:

4 (a) Phonemic awareness - segmentation, blending, and sound  
5 manipulation (deletion and substitution).

6 (b) Phonics - decoding (reading) and encoding (spelling).

7 (c) Fluency - reading rate, accuracy, and expression.

8 (d) Comprehension - making meaning of text.

9 (4) From the allocation under subsection (1), there is  
10 allocated an amount not to exceed \$31,500,000.00 for ~~2020-2021~~  
11 **2021-2022** for the purpose of providing early literacy coaches at  
12 intermediate districts to assist teachers in developing and  
13 implementing instructional strategies for pupils in grades pre-K to  
14 3 so that pupils are reading at grade level by the end of grade 3.  
15 All of the following apply to funding under this subsection:

16 (a) The department shall develop an application process  
17 consistent with the provisions of this subsection. An application  
18 must provide assurances that literacy coaches funded under this  
19 subsection are knowledgeable about at least the following:

20 (i) Current state literacy standards for pupils in grades pre-K  
21 to 3.

22 (ii) Implementing an instructional delivery model based on  
23 frequent use of formative, screening, and diagnostic tools, known  
24 as a multi-tiered system of support, to determine individual  
25 progress for pupils in grades pre-K to 3 so that pupils are reading  
26 at grade level by the end of grade 3.

27 (iii) The use of data from diagnostic tools to determine the  
28 necessary additional supports and interventions needed by  
29 individual pupils in grades pre-K to 3 in order to be reading at

1 grade level.

2 (b) From the allocation under this subsection, the department  
3 shall award grants to intermediate districts for the support of  
4 early literacy coaches. The department shall provide this funding  
5 in the following manner:

6 (i) The department shall award each intermediate district grant  
7 funding to support the cost of 1 early literacy coach in an equal  
8 amount per early literacy coach, not to exceed \$112,500.00.

9 (ii) After distribution of the grant funding under subparagraph  
10 (i), the department shall distribute the remainder of grant funding  
11 for additional early literacy coaches in an amount not to exceed  
12 \$112,500.00 per early literacy coach. The number of funded early  
13 literacy coaches for each intermediate district is based on the  
14 percentage of the total statewide number of pupils in grades K to 3  
15 who meet the income eligibility standards for the federal free and  
16 reduced-price lunch programs who are enrolled in districts in the  
17 intermediate district.

18 (c) If an intermediate district that receives funding under  
19 this subsection uses an assessment tool that screens for signs of  
20 dyslexia, the intermediate district shall use the assessment  
21 results from that assessment tool to identify pupils who  
22 demonstrate signs of dyslexia.

23 (5) From the allocation under subsection (1), there is  
24 allocated an amount not to exceed \$19,900,000.00 for ~~2020-2021~~  
25 **2021-2022** to districts that provide additional instructional time  
26 to those pupils in grades pre-K to 3 ~~, or, for 2020-2021 only,~~  
27 ~~those pupils in grades pre-K to 12,~~ who have been identified by  
28 using department-approved screening and diagnostic tools as needing  
29 additional supports and interventions in order to be reading at

1 grade level by the end of grade 3. ~~, or, for 2020-2021 only,~~  
 2 ~~reading at the applicable grade level.~~ Additional instructional  
 3 time may be provided before, during, and after regular school hours  
 4 or as part of a year-round balanced school calendar. All of the  
 5 following apply to funding under this subsection:

6 (a) In order to be eligible to receive funding, a district  
 7 shall demonstrate to the satisfaction of the department that the  
 8 district has done all of the following:

9 (i) Implemented a multi-tiered system of support instructional  
 10 delivery model that is an evidence-based model that uses data-  
 11 driven problem solving to integrate academic and behavioral  
 12 instruction and that uses intervention delivered to all pupils in  
 13 varying intensities based on pupil needs. The multi-tiered system  
 14 of supports must provide at least all of the following essential  
 15 components:

16 (A) Team-based leadership.

17 (B) A tiered delivery system.

18 (C) Selection and implementation of instruction,  
 19 interventions, and supports.

20 (D) A comprehensive screening and assessment system.

21 (E) Continuous data-based decision making.

22 (ii) Used department-approved research-based diagnostic tools  
 23 to identify individual pupils in need of additional instructional  
 24 time.

25 (iii) Used a reading instruction method that focuses on the 5  
 26 fundamental building blocks of reading: phonics, phonemic  
 27 awareness, fluency, vocabulary, and comprehension and content  
 28 knowledge.

29 (iv) Provided teachers of pupils in grades pre-K to 3 with

1 research-based professional development in diagnostic data  
2 interpretation.

3 (v) Complied with the requirements under section 1280f of the  
4 revised school code, MCL 380.1280f.

5 (b) The department shall distribute funding allocated under  
6 this subsection to eligible districts on an equal per-first-grade-  
7 pupil basis.

8 (c) If the funds allocated under this subsection are  
9 insufficient to fully fund the payments under this subsection,  
10 payments under this subsection are prorated on an equal per-pupil  
11 basis based on grade 1 pupils.

12 (6) Not later than September 1 of each year, a district that  
13 receives funding under subsection (5) in conjunction with the  
14 Michigan student data system, if possible, shall provide to the  
15 department a report that includes at least both of the following,  
16 in a form and manner prescribed by the department:

17 (a) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~  
18 ~~applicable,~~ the pupils, schools, and grades served with funds under  
19 this section and the categories of services provided.

20 (b) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~  
21 ~~applicable,~~ pupil proficiency and growth data that allows analysis  
22 both in the aggregate and by each of the following subgroups, as  
23 applicable:

24 (i) School.

25 (ii) Grade level.

26 (iii) Gender.

27 (iv) Race.

28 (v) Ethnicity.

29 (vi) Economically disadvantaged status.

1           (vii) Disability.

2           (viii) Pupils identified as having reading deficiencies.

3           (7) From the allocation under subsection (1), there is  
4 allocated an amount not to exceed \$4,000,000.00 for ~~2020-2021-2021-~~  
5 **2022** to an intermediate district in which the combined total number  
6 of pupils in membership of all of its constituent districts is the  
7 fewest among all intermediate districts. All of the following apply  
8 to the funding under this subsection:

9           (a) Funding under this subsection must be used by the  
10 intermediate district, in partnership with an association that  
11 represents intermediate district administrators in this state, to  
12 implement all of the following:

13           (i) Literacy essentials teacher and principal training modules.

14           (ii) Face-to-face and online professional learning of literacy  
15 essentials teacher and principal training modules for literacy  
16 coaches, principals, and teachers.

17           (iii) The placement of regional lead literacy coaches to  
18 facilitate professional learning for early literacy coaches. These  
19 regional lead literacy coaches shall provide support for new  
20 literacy coaches, building teachers, and administrators and shall  
21 facilitate regional data collection to evaluate the effectiveness  
22 of statewide literacy coaches funded under this section.

23           (iv) Provide \$500,000.00 from this subsection for literacy  
24 training, modeling, coaching, and feedback for district principals  
25 or chief administrators, as applicable. The training described in  
26 this subparagraph must use the pre-K and K to 3 essential  
27 instructional practices in literacy created by the general  
28 education leadership network as the framework for all training  
29 provided under this subparagraph.

1 (b) Not later than September 1 of each year, the intermediate  
 2 district described in this subsection, in consultation with grant  
 3 recipients, shall submit a report to the chairs of the senate and  
 4 house appropriations subcommittees on ~~state~~-school aid, the chairs  
 5 of the senate and house standing committees responsible for  
 6 education legislation, the house and senate fiscal agencies, and  
 7 the state budget director. The report described under this  
 8 subdivision must include student achievement results in English  
 9 language arts and survey results with feedback from parents and  
 10 teachers regarding the initiatives implemented under this  
 11 subsection.

12 (c) Up to 2% of funds allocated under this subsection may be  
 13 used by the association representing intermediate district  
 14 administrators that is in partnership with the intermediate  
 15 district specified in this subsection to administer this  
 16 subsection.

17 ~~(8) From the general fund money allocated in subsection (1),~~  
 18 ~~the department shall allocate the amount of \$2,773,000.00 for 2020-~~  
 19 ~~2021 to the Michigan Education Corps for the PreK Reading Corps,~~  
 20 ~~the K3 Reading Corps, and the Math Corps. All of the following~~  
 21 ~~apply to funding under this subsection:~~

22 ~~(a) By September 1 of the current fiscal year, the Michigan~~  
 23 ~~Education Corps shall provide a report concerning its use of the~~  
 24 ~~funding to the senate and house appropriations subcommittees on~~  
 25 ~~state school aid, the senate and house fiscal agencies, and the~~  
 26 ~~senate and house caucus policy offices on outcomes and performance~~  
 27 ~~measures of the Michigan Education Corps, including, but not~~  
 28 ~~limited to, the degree to which the Michigan Education Corps'~~  
 29 ~~replication of the PreK Reading Corps, the K3 Reading Corps, and~~

1 ~~the Math Corps programs is demonstrating sufficient efficacy and~~  
 2 ~~impact. The report must include data pertaining to at least all of~~  
 3 ~~the following:~~

4 ~~(i) The current impact of the programs on this state in terms~~  
 5 ~~of numbers of children and schools receiving support. This portion~~  
 6 ~~of the report must specify the number of children tutored,~~  
 7 ~~including dosage and completion, and the demographics of those~~  
 8 ~~children.~~

9 ~~(ii) Whether the assessments and interventions are implemented~~  
 10 ~~with fidelity. This portion of the report must include details on~~  
 11 ~~the total number of assessments and interventions completed and the~~  
 12 ~~range, mean, and standard deviation.~~

13 ~~(iii) Whether the literacy or math improvement of children~~  
 14 ~~participating in the programs is consistent with expectations. This~~  
 15 ~~portion of the report must detail at least all of the following:~~

16 ~~(A) Growth rate by grade or age level, in comparison to~~  
 17 ~~targeted growth rate.~~

18 ~~(B) Average linear growth rates.~~

19 ~~(C) Exit rates.~~

20 ~~(D) Percentage of children who exit who also meet or exceed~~  
 21 ~~spring benchmarks.~~

22 ~~(iv) The impact of the programs on organizations and~~  
 23 ~~stakeholders, including, but not limited to, school administrators,~~  
 24 ~~internal coaches, and AmeriCorps members.~~

25 ~~(b) If the department determines that the Michigan Education~~  
 26 ~~Corps has misused the funds allocated under this subsection, the~~  
 27 ~~Michigan Education Corps shall reimburse this state for the amount~~  
 28 ~~of state funding misused.~~

29 ~~(c) The department may not reserve any portion of the~~

1 ~~allocation provided under this subsection for an evaluation of the~~  
2 ~~Michigan Education Corps, the Michigan Education Corps' funding, or~~  
3 ~~the Michigan Education Corps' programming unless agreed to in~~  
4 ~~writing by the Michigan Education Corps. The department shall award~~  
5 ~~the entire \$2,773,000.00 allocated under this subsection to the~~  
6 ~~Michigan Education Corps and shall not condition the awarding of~~  
7 ~~this funding on the implementation of an independent evaluation.~~

8       **(8)** ~~(9)~~—If a district or intermediate district expends any  
9 funding received under subsection (4) or (5) for professional  
10 development in research-based effective reading instruction, the  
11 district or intermediate district shall select a professional  
12 development program from the list described under subdivision (a).  
13 All of the following apply to the requirement under this  
14 subsection:

15       (a) The department shall issue a request for proposals for  
16 professional development programs in research-based effective  
17 reading instruction to develop an initial approved list of  
18 professional development programs in research-based effective  
19 reading instruction. The department shall make the initial approved  
20 list public and shall determine if it will, on a rolling basis,  
21 approve any new proposals submitted for addition to its initial  
22 approved list.

23       (b) To be included as an approved professional development  
24 program in research-based effective reading instruction under  
25 subdivision (a), an applicant must demonstrate to the department in  
26 writing the program's competency in all of the following topics:

27       (i) Understanding of phonemic awareness, phonics, fluency,  
28 vocabulary, and comprehension.

29       (ii) Appropriate use of assessments and differentiated

1 instruction.

2 (iii) Selection of appropriate instructional materials.

3 (iv) Application of research-based instructional practices.

4 (c) As used in this subsection, "effective reading  
5 instruction" means reading instruction scientifically proven to  
6 result in improvement in pupil reading skills.

7 (9) ~~(10)~~ Notwithstanding section 17b, the department shall  
8 make payments made under ~~subsections~~ **subsection** (7) and ~~(8)~~ on a  
9 schedule determined by the department.

10 Sec. 35b. (1) From the general fund money appropriated in  
11 section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount  
12 not to exceed \$250,000.00 for a grant to be distributed by the  
13 department to the Children's Choice Initiative for a program to use  
14 a multisensory structured language education method to improve  
15 reading proficiency rates and to comply with section 1280f of the  
16 revised school code, MCL 380.1280f.

17 (2) Grant funds awarded under this section must be expended  
18 for the following purposes:

19 (a) Professional development including training staff and  
20 tutors in a multisensory, sequential, systematic education  
21 approach.

22 (b) Additional instructional time before, during, or after  
23 school for pupils in grades K to 3 identified as having an early  
24 literacy delay or reading deficiency using a multisensory,  
25 sequential, systematic education approach.

26 (3) Not later than December 1, ~~2021,~~ **2022**, an entity that  
27 receives grant funds under this section shall report to the house  
28 and senate appropriations subcommittees on school aid, the house  
29 and senate fiscal agencies, and the state budget director on all of

1 the following for the grant funds awarded under this section:

2 (a) The number of staff and tutors trained.

3 (b) The number of pupils in grades K to 3 identified as having  
4 an early literacy delay or reading deficiency served.

5 (c) The number of hours of added instructional time provided  
6 to pupils served.

7 (d) Pupil reading proficiency and growth data of pupils served  
8 necessary to evaluate the effectiveness of the program.

9 **Sec. 35g. (1) From the state school aid fund money**  
10 **appropriated in section 11, there is allocated an amount not to**  
11 **exceed \$1,000,000.00 for 2021-2022 for competitive grants to**  
12 **eligible districts that have established innovative community**  
13 **libraries.**

14 (2) A district that has established an innovative community  
15 library that meets all of the following is an eligible district  
16 under this section:

17 (a) The library provides for the engagement and connection of  
18 readers.

19 (b) The library provides for resources that are used to  
20 further reading skills.

21 (c) The library provides for the involvement of community  
22 volunteers and donations.

23 (3) An eligible district may partner with an existing library  
24 to provide an innovative community library described in subsection  
25 (2).

26 (4) For the purpose of this section, an innovative community  
27 library described in subsection (2) does not need to be in a  
28 physical building.

29 (5) To receive funding under this section, an eligible

1 district must apply for the funding to the department's innovation  
2 council, in a form and manner prescribed by the department's  
3 innovation council, by not later than March 15, 2022. The  
4 department's innovation council must develop an application process  
5 for the submission of applications for funding under this section  
6 by not later than December 15, 2021. The department's innovation  
7 council must score applications and award up to 20 grants under  
8 this section based on the following criteria by not later than July  
9 15, 2022:

10 (a) How the innovative community library has addressed early  
11 childhood literacy gaps.

12 (b) How community partners of the innovative community library  
13 have engaged in addressing literacy gaps.

14 (c) How the innovative community library has connected  
15 different readers together.

16 (d) How the innovative community library will promote its  
17 approach to other districts or communities in addressing early  
18 literacy gaps.

19 (6) The grant awards under subsection (5) must be ranked in a  
20 manner in which there are 2 first-place grant awards, 2 second-  
21 place grant awards, 2 third-place grant awards, 2 fourth-place  
22 grant awards, 2 fifth-place grant awards, 2 sixth-place grant  
23 awards, 2 seventh-place grant awards, 2 eighth-place grant awards,  
24 2 ninth-place grant awards, and 2 tenth-place grant awards. The  
25 first-place grant awards described in this subsection must receive  
26 the highest award of funding under this section and the amount of  
27 funding awarded under this section must decline sequentially with  
28 each numerical-place award described in this subsection, with the  
29 lowest award of funding under this section going to the tenth-place

1 **grant award recipients.**

2 **(7) Notwithstanding section 17b, subject to subsection (5),**  
3 **the department shall make payments to eligible districts under this**  
4 **section on a schedule determined by the department.**

5 Sec. 39. (1) An eligible applicant receiving funds under  
6 section 32d shall submit an application, in a form and manner  
7 prescribed by the department, by a date specified by the department  
8 in the immediately preceding fiscal year. An eligible applicant is  
9 not required to amend the applicant's current accounting cycle or  
10 adopt this state's fiscal year accounting cycle in accounting for  
11 financial transactions under this section. The application must  
12 include all of the following:

13 (a) The estimated total number of children in the community  
14 who meet the criteria of section 32d, as provided to the applicant  
15 by the department utilizing the most recent population data  
16 available from the American Community Survey conducted by the  
17 United States Census Bureau. The department shall ensure that it  
18 provides updated American Community Survey population data at least  
19 once every 3 years.

20 (b) The estimated number of children in the community who meet  
21 the criteria of section 32d and are being served exclusively by  
22 Head Start programs operating in the community.

23 (c) The number of children whom the applicant has the capacity  
24 to serve who meet the criteria of section 32d including a  
25 verification of physical facility and staff resources capacity.

26 (2) After notification of funding allocations, an applicant  
27 receiving funds under section 32d shall also submit an  
28 implementation plan for approval, in a form and manner prescribed  
29 by the department, by a date specified by the department, that

1 details how the applicant complies with the program components  
2 established by the department pursuant to section 32d.

3 (3) The initial allocation to each eligible applicant under  
4 section 32d is the lesser of the following:

5 (a) The sum of the number of children served in a school-day  
6 program in the preceding school year multiplied by ~~\$7,250.00~~  
7 **\$8,211.00** and the number of children served in a GSRP/Head Start  
8 blended program or a part-day program in the preceding school year  
9 multiplied by ~~\$3,625.00~~ **\$4,106.00**.

10 (b) The sum of the number of children the applicant has the  
11 capacity to serve in the current school year in a school-day  
12 program multiplied by ~~\$7,250.00~~ **\$8,211.00** and the number of  
13 children served in a GSRP/Head Start blended program or a part-day  
14 program the applicant has the capacity to serve in the current  
15 school year multiplied by ~~\$3,625.00~~ **\$4,106.00**.

16 (4) If funds remain after the allocations under subsection  
17 (3), the department shall distribute the remaining funds to each  
18 intermediate district or consortium of intermediate districts that  
19 serves less than the state percentage benchmark determined under  
20 subsection (5). The department shall distribute these remaining  
21 funds to each eligible applicant based upon each applicant's  
22 proportionate share of the remaining unserved children necessary to  
23 meet the statewide percentage benchmark in intermediate districts  
24 or consortia of intermediate districts serving less than the  
25 statewide percentage benchmark. When all applicants have been given  
26 the opportunity to reach the statewide percentage benchmark, the  
27 statewide percentage benchmark may be reset, as determined by the  
28 department, until greater equity of opportunity to serve eligible  
29 children across all intermediate school districts has been

1 achieved.

2 (5) For the purposes of subsection (4), the department shall  
3 calculate a percentage of children served by each intermediate  
4 district or consortium of intermediate districts by adding the  
5 number of children served in the immediately preceding year by that  
6 intermediate district or consortium with the number of eligible  
7 children under section 32d served exclusively by head start, as  
8 reported in a form and manner prescribed by the department, within  
9 the intermediate district or consortia service area and dividing  
10 that total by the total number of children within the intermediate  
11 district or consortium of intermediate districts who meet the  
12 criteria of section 32d as determined by the department utilizing  
13 the most recent population data available from the American  
14 Community Survey conducted by the United States Census Bureau. The  
15 department shall compare the resulting percentage of eligible  
16 children served to a statewide percentage benchmark to determine if  
17 the intermediate district or consortium is eligible for additional  
18 funds under subsection (4). The statewide percentage benchmark is  
19 60%.

20 (6) If, taking into account the total amount to be allocated  
21 to the applicant as calculated under this section, an applicant  
22 determines that it is able to include additional eligible children  
23 in the great start readiness program without additional funds under  
24 section 32d, the applicant may include additional eligible children  
25 but does not receive additional funding under section 32d for those  
26 children.

27 (7) The department shall review the program components under  
28 section 32d and under this section at least biennially. The  
29 department also shall convene a committee of internal and external

1 stakeholders at least once every 5 years to ensure that the funding  
 2 structure under this section reflects current system needs under  
 3 section 32d.

4 **(8) Hold harmless funding for 2021-2022 must be determined**  
 5 **based on the 2019-2020 final allocations calculated and paid under**  
 6 **section 32d in 2019-2020.**

7 **(9)** ~~(8)~~ As used in this section, "GSRP/Head Start blended  
 8 program", "part-day program", and "school-day program" mean those  
 9 terms as defined in section 32d. ~~as, for 2020-2021, impacted by~~  
 10 ~~section 32d(26).~~

11 Sec. 39a. (1) From the federal funds appropriated in section  
 12 11, ~~there is allocated for 2020-2021 to districts, intermediate~~  
 13 ~~districts, and other eligible entities all available federal~~  
 14 ~~funding, estimated at \$749,200,000.00~~ **there is allocated for 2021-**  
 15 **2022 to districts, intermediate districts, and other eligible**  
 16 **entities all available federal funding, estimated at**  
 17 **\$752,300,000.00**, for the federal programs under the no child left  
 18 behind act of 2001, Public Law 107-110, or the every student  
 19 succeeds act, Public Law 114-95. These funds are allocated as  
 20 follows:

21 (a) An amount estimated at \$1,200,000.00 for ~~2020-2021~~ **2021-**  
 22 **2022** to provide students with drug- and violence-prevention  
 23 programs and to implement strategies to improve school safety,  
 24 funded from DED-OESE, drug-free schools and communities funds.

25 (b) An amount estimated at \$100,000,000.00 for ~~2020-2021~~ **2021-**  
 26 **2022** for the purpose of preparing, training, and recruiting high-  
 27 quality teachers and class size reduction, funded from DED-OESE,  
 28 improving teacher quality funds.

29 (c) An amount estimated at ~~\$11,000,000.00 for 2020-2021~~

1 **\$13,000,000.00 for 2021-2022** for programs to teach English to  
2 limited English proficient (LEP) children, funded from DED-OESE,  
3 language acquisition state grant funds.

4 (d) An amount estimated at \$2,800,000.00 for ~~2020-2021-2021-~~  
5 **2022** for rural and ~~low-income-low-income~~ schools, funded from DED-  
6 OESE, rural and low income school funds.

7 (e) An amount estimated at \$535,000,000.00 for ~~2020-2021-2021-~~  
8 **2022** to provide supplemental programs to enable educationally  
9 disadvantaged children to meet challenging academic standards,  
10 funded from DED-OESE, title I, disadvantaged children funds.

11 (f) An amount estimated at \$9,200,000.00 for ~~2020-2021-2021-~~  
12 **2022** for the purpose of identifying and serving migrant children,  
13 funded from DED-OESE, title I, migrant education funds.

14 (g) An amount estimated at \$39,000,000.00 for ~~2020-2021-2021-~~  
15 **2022** for the purpose of providing high-quality extended learning  
16 opportunities, after school and during the summer, for children in  
17 low-performing schools, funded from DED-OESE, twenty-first century  
18 community learning center funds.

19 (h) An amount estimated at \$14,000,000.00 for ~~2020-2021-2021-~~  
20 **2022** to help support local school improvement efforts, funded from  
21 DED-OESE, title I, local school improvement grants.

22 (i) An amount estimated at \$35,000,000.00 for ~~2020-2021-2021-~~  
23 **2022** to improve the academic achievement of students, funded from  
24 DED-OESE, title IV, student support and academic enrichment grants.

25 (j) **An amount estimated at \$3,100,000.00 for 2021-2022 for**  
26 **literacy programs that advance literacy skills for students from**  
27 **birth through grade 12, including limited-English-proficient**  
28 **students and students with disabilities, funded from DED-OESE,**  
29 **striving readers comprehensive literacy program.**

1 (2) From the federal funds appropriated in section 11, there  
2 is allocated to districts, intermediate districts, and other  
3 eligible entities all available federal funding, estimated at  
4 ~~\$55,000,000.00 for 2020-2021~~ **\$56,500,000.00 for 2021-2022** for the  
5 following programs that are funded by federal grants:

6 (a) An amount estimated at \$3,000,000.00 for ~~2020-2021~~ **2021-**  
7 **2022** to provide services to homeless children and youth, funded  
8 from DED-OVAE, homeless children and youth funds.

9 (b) An amount estimated at \$24,000,000.00 for ~~2020-2021~~ **2021-**  
10 **2022** for providing career and technical education services to  
11 pupils, funded from DED-OVAE, basic grants to states.

12 (c) An amount estimated at \$14,000,000.00 for ~~2020-2021~~ **2021-**  
13 **2022** for the Michigan charter school subgrant program, funded from  
14 DED-OII, public charter schools program funds.

15 (d) An amount estimated at \$14,000,000.00 for ~~2020-2021~~ **2021-**  
16 **2022** for the purpose of promoting and expanding high-quality  
17 preschool services, funded from HHS-OCC, preschool development  
18 funds.

19 (e) **An amount estimated at \$1,500,000.00 for 2021-2022 for the**  
20 **purpose of addressing priority substance abuse treatment,**  
21 **prevention, and mental health needs, funded from HHS-SAMHSA.**

22 (3) The department shall distribute all federal funds  
23 allocated under this section in accordance with federal law and  
24 with flexibility provisions outlined in Public Law 107-116, and in  
25 the education flexibility partnership act of 1999, Public Law 106-  
26 25. Notwithstanding section 17b, the department shall make payments  
27 of federal funds to districts, intermediate districts, and other  
28 eligible entities under this section on a schedule determined by  
29 the department.

1 (4) For the purposes of applying for federal grants  
2 appropriated under this article, the department shall allow an  
3 intermediate district to submit a consortium application on behalf  
4 of 2 or more districts with the agreement of those districts as  
5 appropriate according to federal rules and guidelines.

6 (5) For the purposes of funding federal title I grants under  
7 this article, in addition to any other federal grants for which the  
8 strict discipline academy is eligible, the department shall  
9 allocate to a strict discipline academy out of title I, part A an  
10 amount equal to what the strict discipline academy would have  
11 received if included and calculated under title I, part D, or what  
12 it would receive under the formula allocation under title I, part  
13 A, whichever is greater.

14 (6) As used in this section:

15 (a) "DED" means the United States Department of Education.

16 (b) "DED-OESE" means the DED Office of Elementary and  
17 Secondary Education.

18 (c) "DED-OII" means the DED Office of Innovation and  
19 Improvement.

20 (d) "DED-OVAE" means the DED Office of Vocational and Adult  
21 Education.

22 (e) "HHS" means the United States Department of Health and  
23 Human Services.

24 (f) "HHS-OCC" means the HHS Office of Child Care.

25 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental  
26 Health Services Project.

27 Sec. 41. (1) For a district to be eligible to receive funding  
28 under this section, the district must administer to English  
29 language learners the English language proficiency assessment known

1 as the "WIDA ACCESS for English language learners" or the "WIDA  
2 Alternate ACCESS". From the ~~appropriation~~ **state school aid fund**  
3 **money appropriated** in section 11, there is allocated an amount not  
4 to exceed \$13,000,000.00 for ~~2020-2021~~ **2021-2022** for payments to  
5 eligible districts for services for English language learners who  
6 have been administered the WIDA ACCESS for English language  
7 learners.

8 (2) The department shall distribute funding allocated under  
9 subsection (1) to eligible districts based on the number of full-  
10 time equivalent English language learners as follows:

11 (a) \$900.00 per full-time equivalent English language learner  
12 who has been assessed under the WIDA ACCESS for English language  
13 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA  
14 Alternate ACCESS composite score between 1.0 and 1.9, or less, as  
15 applicable to each assessment.

16 (b) \$620.00 per full-time equivalent English language learner  
17 who has been assessed under the WIDA ACCESS for English language  
18 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA  
19 Alternate ACCESS composite score between 2.0 and 2.9, or less, as  
20 applicable to each assessment.

21 (c) \$100.00 per full-time equivalent English language learner  
22 who has been assessed under the WIDA ACCESS for English language  
23 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA  
24 Alternate ACCESS composite score between 3.0 and 3.9, or less, as  
25 applicable to each assessment.

26 (3) If funds allocated under subsection (1) are insufficient  
27 to fully fund the payments as prescribed under subsection (2), the  
28 department shall prorate payments on an equal percentage basis,  
29 with the same percentage proration applied to all funding

1 categories.

2 (4) Each district receiving funds under subsection (1) shall  
 3 submit to the department by July 15 of each fiscal year a report,  
 4 not to exceed 10 pages, on the usage by the district of funds under  
 5 subsection (1) in a form and manner determined by the department,  
 6 including a brief description of each program conducted or services  
 7 performed by the district using funds under subsection (1) and the  
 8 amount of funds under subsection (1) allocated to each of those  
 9 programs or services. If a district does not comply with this  
 10 subsection, the department shall withhold an amount equal to the  
 11 August payment due under this section until the district complies  
 12 with this subsection. If the district does not comply with this  
 13 subsection by the end of the fiscal year, the withheld funds are  
 14 forfeited to the school aid fund.

15 (5) In order to receive funds under subsection (1), a district  
 16 must allow access for the department or the department's designee  
 17 to audit all records related to the program for which it receives  
 18 those funds. The district shall reimburse this state for all  
 19 disallowances found in the audit.

20 (6) Beginning July 1, 2020, and every 3 years thereafter, the  
 21 department shall review the per-pupil distribution under subsection  
 22 (2), to ensure that funding levels are appropriate and make  
 23 recommendations for adjustments to the members of the senate and  
 24 house subcommittees on K-12 school aid appropriations.

25 Sec. 51a. (1) From the ~~appropriation~~ **state school aid fund**  
 26 **money appropriated** in section 11, there is allocated an amount not  
 27 to exceed ~~\$1,023,996,100.00 for 2019-2020~~ and there is allocated an  
 28 amount not to exceed ~~\$1,079,296,100.00~~ **\$1,120,796,100.00** for 2020-  
 29 ~~2021-2021-2022~~ from state sources and all available federal funding

1 under sections ~~611 to 619~~ **1411 to 1419** of part B of the individuals  
 2 with disabilities education act, 20 USC 1411 to 1419, estimated at  
 3 ~~\$370,000,000.00 for 2019-2020 and \$375,000,000.00~~ **\$380,000,000.00**  
 4 for ~~2020-2021,~~ **2021-2022**, plus any carryover federal funds from  
 5 previous year appropriations. The allocations under this subsection  
 6 are for the purpose of reimbursing districts and intermediate  
 7 districts for special education programs, services, and special  
 8 education personnel as prescribed in article 3 of the revised  
 9 school code, MCL 380.1701 to 380.1761; net tuition payments made by  
 10 intermediate districts to the Michigan Schools for the Deaf and  
 11 Blind; and special education programs and services for pupils who  
 12 are eligible for special education programs and services according  
 13 to statute or rule. For meeting the costs of special education  
 14 programs and services not reimbursed under this article, a district  
 15 or intermediate district may use money in general funds or special  
 16 education funds, not otherwise restricted, or contributions from  
 17 districts to intermediate districts, tuition payments, gifts and  
 18 contributions from individuals or other entities, or federal funds  
 19 that may be available for this purpose, as determined by the  
 20 intermediate district plan prepared under article 3 of the revised  
 21 school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b,  
 22 the department shall make payments of federal funds to districts,  
 23 intermediate districts, and other eligible entities under this  
 24 section on a schedule determined by the department.

25 (2) From the funds allocated under subsection (1), there is  
 26 allocated the amount necessary, estimated at ~~\$286,900,000.00 for~~  
 27 ~~2019-2020 and estimated at \$307,500,000.00~~ **\$329,900,000.00** for  
 28 ~~2020-2021,~~ **2021-2022**, for payments toward reimbursing districts and  
 29 intermediate districts for 28.6138% of total approved costs of

1 special education, excluding costs reimbursed under section 53a,  
2 and 70.4165% of total approved costs of special education  
3 transportation. Allocations under this subsection are made as  
4 follows:

5 (a) The department shall calculate the initial amount  
6 allocated to a district under this subsection toward fulfilling the  
7 specified percentages by multiplying the district's special  
8 education pupil membership, excluding pupils described in  
9 subsection (11), times the foundation allowance under section 20 of  
10 the pupil's district of residence, not to exceed the target  
11 foundation allowance for the current fiscal year, or, for a special  
12 education pupil in membership in a district that is a public school  
13 academy, times an amount equal to the amount per membership pupil  
14 calculated under section 20(6). For an intermediate district, the  
15 amount allocated under this subdivision toward fulfilling the  
16 specified percentages is an amount per special education membership  
17 pupil, excluding pupils described in subsection (11), and is  
18 calculated in the same manner as for a district, using the  
19 foundation allowance under section 20 of the pupil's district of  
20 residence, not to exceed the target foundation allowance for the  
21 current fiscal year.

22 (b) After the allocations under subdivision (a), the  
23 department shall pay a district or intermediate district for which  
24 the payments calculated under subdivision (a) do not fulfill the  
25 specified percentages the amount necessary to achieve the specified  
26 percentages for the district or intermediate district.

27 (3) From the funds allocated under subsection (1), there is  
28 allocated for ~~2019-2020 an amount not to exceed \$1,000,000.00 and~~  
29 ~~there is allocated for 2020-2021~~ **2021-2022** an amount not to exceed

1 \$1,000,000.00 to make payments to districts and intermediate  
2 districts under this subsection. If the amount allocated to a  
3 district or intermediate district for a fiscal year under  
4 subsection (2)(b) is less than the sum of the amounts allocated to  
5 the district or intermediate district for 1996-97 under sections 52  
6 and 58, there is allocated to the district or intermediate district  
7 for the fiscal year an amount equal to that difference, adjusted by  
8 applying the same proration factor that was used in the  
9 distribution of funds under section 52 in 1996-97 as adjusted to  
10 the district's or intermediate district's necessary costs of  
11 special education used in calculations for the fiscal year. This  
12 adjustment is to reflect reductions in special education program  
13 operations or services between 1996-97 and subsequent fiscal years.  
14 The department shall make adjustments for reductions in special  
15 education program operations or services in a manner determined by  
16 the department and shall include adjustments for program or service  
17 shifts.

18 (4) If the department determines that the sum of the amounts  
19 allocated for a fiscal year to a district or intermediate district  
20 under subsection (2)(a) and (b) is not sufficient to fulfill the  
21 specified percentages in subsection (2), then the department shall  
22 pay the shortfall to the district or intermediate district during  
23 the fiscal year beginning on the October 1 following the  
24 determination and shall adjust payments under subsection (3) as  
25 necessary. If the department determines that the sum of the amounts  
26 allocated for a fiscal year to a district or intermediate district  
27 under subsection (2)(a) and (b) exceeds the sum of the amount  
28 necessary to fulfill the specified percentages in subsection (2),  
29 then the department shall deduct the amount of the excess from the

1 district's or intermediate district's payments under this article  
2 for the fiscal year beginning on the October 1 following the  
3 determination and shall adjust payments under subsection (3) as  
4 necessary. However, if the amount allocated under subsection (2)(a)  
5 in itself exceeds the amount necessary to fulfill the specified  
6 percentages in subsection (2), there is no deduction under this  
7 subsection.

8 (5) State funds are allocated on a total approved cost basis.  
9 Federal funds are allocated under applicable federal requirements.

10 (6) From the amount allocated in subsection (1), there is  
11 allocated an amount not to exceed \$2,200,000.00 ~~for 2019-2020 and~~  
12 ~~there is allocated an amount not to exceed \$2,200,000.00 for 2020-~~  
13 ~~2021-2021-2022~~ to reimburse 100% of the net increase in necessary  
14 costs incurred by a district or intermediate district in  
15 implementing the revisions in the administrative rules for special  
16 education that became effective on July 1, 1987. As used in this  
17 subsection, "net increase in necessary costs" means the necessary  
18 additional costs incurred solely because of new or revised  
19 requirements in the administrative rules minus cost savings  
20 permitted in implementing the revised rules. The department shall  
21 determine net increase in necessary costs in a manner specified by  
22 the department.

23 (7) For purposes of ~~sections 51a~~ **this section and sections 51b**  
24 to 58, all of the following apply:

25 (a) "Total approved costs of special education" are determined  
26 in a manner specified by the department and may include indirect  
27 costs, but must not exceed 115% of approved direct costs for  
28 section 52 and section 53a programs. The total approved costs  
29 include salary and other compensation for all approved special

1 education personnel for the program, including payments for Social  
2 Security and Medicare and public school employee retirement system  
3 contributions. The total approved costs do not include salaries or  
4 other compensation paid to administrative personnel who are not  
5 special education personnel as that term is defined in section 6 of  
6 the revised school code, MCL 380.6. Costs reimbursed by federal  
7 funds, other than those federal funds included in the allocation  
8 made under this article, are not included. Special education  
9 approved personnel not utilized full time in the evaluation of  
10 students or in the delivery of special education programs,  
11 ancillary, and other related services are reimbursed under this  
12 section only for that portion of time actually spent providing  
13 these programs and services, with the exception of special  
14 education programs and services provided to youth placed in child  
15 caring institutions or juvenile detention programs approved by the  
16 department to provide an on-grounds education program.

17 (b) Beginning with the 2004-2005 fiscal year, a district or  
18 intermediate district that employed special education support  
19 services staff to provide special education support services in  
20 2003-2004 or in a subsequent fiscal year and that in a fiscal year  
21 after 2003-2004 receives the same type of support services from  
22 another district or intermediate district shall report the cost of  
23 those support services for special education reimbursement purposes  
24 under this article. This subdivision does not prohibit the transfer  
25 of special education classroom teachers and special education  
26 classroom aides if the pupils counted in membership associated with  
27 those special education classroom teachers and special education  
28 classroom aides are transferred and counted in membership in the  
29 other district or intermediate district in conjunction with the

1 transfer of those teachers and aides.

2 (c) If the department determines before bookclosing for a  
3 fiscal year that the amounts allocated for that fiscal year under  
4 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56  
5 will exceed expenditures for that fiscal year under subsections  
6 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a  
7 district or intermediate district whose reimbursement for that  
8 fiscal year would otherwise be affected by subdivision (b),  
9 subdivision (b) does not apply to the calculation of the  
10 reimbursement for that district or intermediate district and the  
11 department shall calculate reimbursement for that district or  
12 intermediate district in the same manner as it was for 2003-2004.  
13 If the amount of the excess allocations under subsections (2), (3),  
14 (6), and (11) and sections 53a, 54, and 56 is not sufficient to  
15 fully fund the calculation of reimbursement to those districts and  
16 intermediate districts under this subdivision, then the department  
17 shall prorate calculations and resulting reimbursement under this  
18 subdivision on an equal percentage basis. Beginning in 2015-2016,  
19 the amount of reimbursement under this subdivision for a fiscal  
20 year must not exceed \$2,000,000.00 for any district or intermediate  
21 district.

22 (d) Reimbursement for ancillary and other related services, as  
23 **that term is** defined by R 340.1701c of the Michigan Administrative  
24 Code, is not provided when those services are covered by and  
25 available through private group health insurance carriers or  
26 federal reimbursed program sources unless the department and  
27 district or intermediate district agree otherwise and that  
28 agreement is approved by the state budget director. Expenses, other  
29 than the incidental expense of filing, must not be borne by the

1 parent. In addition, the filing of claims must not delay the  
2 education of a pupil. A district or intermediate district is  
3 responsible for payment of a deductible amount and for an advance  
4 payment required until the time a claim is paid.

5 (e) Beginning with calculations for 2004-2005, if an  
6 intermediate district purchases a special education pupil  
7 transportation service from a constituent district that was  
8 previously purchased from a private entity; if the purchase from  
9 the constituent district is at a lower cost, adjusted for changes  
10 in fuel costs; and if the cost shift from the intermediate district  
11 to the constituent does not result in any net change in the revenue  
12 the constituent district receives from payments under sections 22b  
13 and 51c, then upon application by the intermediate district, the  
14 department shall direct the intermediate district to continue to  
15 report the cost associated with the specific identified special  
16 education pupil transportation service and shall adjust the costs  
17 reported by the constituent district to remove the cost associated  
18 with that specific service.

19 (8) A pupil who is enrolled in a full-time special education  
20 program conducted or administered by an intermediate district or a  
21 pupil who is enrolled in the Michigan Schools for the Deaf and  
22 Blind is not included in the membership count of a district, but is  
23 counted in membership in the intermediate district of residence.

24 (9) Special education personnel transferred from 1 district to  
25 another to implement the revised school code are entitled to the  
26 rights, benefits, and tenure to which the person would otherwise be  
27 entitled had that person been employed by the receiving district  
28 originally.

29 (10) If a district or intermediate district uses money

1 received under this section for a purpose other than the purpose or  
 2 purposes for which the money is allocated, the department may  
 3 require the district or intermediate district to refund the amount  
 4 of money received. The department shall deposit money that is  
 5 refunded in the state treasury to the credit of the state school  
 6 aid fund.

7 (11) From the funds allocated in subsection (1), there is  
 8 allocated the amount necessary, estimated at ~~\$3,100,000.00 for~~  
 9 ~~2019-2020 and estimated at \$3,000,000.00~~ **\$2,500,000.00** for ~~2020-~~  
 10 ~~2021, 2021-2022,~~ to pay the foundation allowances for pupils  
 11 described in this subsection. The department shall calculate the  
 12 allocation to a district under this subsection by multiplying the  
 13 number of pupils described in this subsection who are counted in  
 14 membership in the district times the sum of the foundation  
 15 allowance under section 20 of the pupil's district of residence not  
 16 to exceed the target foundation allowance for the current fiscal  
 17 year, or, for a pupil described in this subsection who is counted  
 18 in membership in a district that is a public school academy, times  
 19 an amount equal to the amount per membership pupil under section  
 20 20(6). The department shall calculate the allocation to an  
 21 intermediate district under this subsection in the same manner as  
 22 for a district, using the foundation allowance under section 20 of  
 23 the pupil's district of residence not to exceed the target  
 24 foundation allowance for the current fiscal year. This subsection  
 25 applies to all of the following pupils:

26 (a) Pupils described in section 53a.

27 (b) Pupils counted in membership in an intermediate district  
 28 who are not special education pupils and are served by the  
 29 intermediate district in a juvenile detention or child caring

1 facility.

2 (c) Pupils with an emotional impairment counted in membership  
3 by an intermediate district and provided educational services by  
4 the department of health and human services.

5 (12) If it is determined that funds allocated under subsection  
6 (2) or (11) or under section 51c will not be expended, funds up to  
7 the amount necessary and available may be used to supplement the  
8 allocations under subsection (2) or (11) or under section 51c in  
9 order to fully fund those allocations. After payments under  
10 subsections (2) and (11) and section 51c, the department shall  
11 expend the remaining funds from the allocation in subsection (1) in  
12 the following order:

- 13 (a) 100% of the reimbursement required under section 53a.  
14 (b) 100% of the reimbursement required under subsection (6).  
15 (c) 100% of the payment required under section 54.  
16 (d) 100% of the payment required under subsection (3).  
17 (e) 100% of the payments under section 56.

18 (13) The allocations under subsections (2), (3), and (11) are  
19 allocations to intermediate districts only and are not allocations  
20 to districts, but instead are calculations used only to determine  
21 the state payments under section 22b.

22 (14) If a public school academy that is not a cyber school, as  
23 that term is defined in section 551 of the revised school code, MCL  
24 380.551, enrolls under this section a pupil who resides outside of  
25 the intermediate district in which the public school academy is  
26 located and who is eligible for special education programs and  
27 services according to statute or rule, or who is a child with  
28 ~~disabilities,~~ **a disability**, as **that term is** defined under the  
29 individuals with disabilities education act, Public Law 108-446,

1 the intermediate district in which the public school academy is  
2 located and the public school academy shall enter into a written  
3 agreement with the intermediate district in which the pupil resides  
4 for the purpose of providing the pupil with a free appropriate  
5 public education, and the written agreement must include at least  
6 an agreement on the responsibility for the payment of the added  
7 costs of special education programs and services for the pupil. If  
8 the public school academy that enrolls the pupil does not enter  
9 into an agreement under this subsection, the public school academy  
10 shall not charge the pupil's resident intermediate district or the  
11 intermediate district in which the public school academy is located  
12 the added costs of special education programs and services for the  
13 pupil, and the public school academy is not eligible for any  
14 payouts based on the funding formula outlined in the resident or  
15 nonresident intermediate district's plan. If a pupil is not  
16 enrolled in a public school academy under this subsection, the  
17 provision of special education programs and services and the  
18 payment of the added costs of special education programs and  
19 services for a pupil described in this subsection are the  
20 responsibility of the district and intermediate district in which  
21 the pupil resides.

22 (15) For the purpose of receiving its federal allocation under  
23 part B of the individuals with disabilities education act, Public  
24 Law 108-446, a public school academy that is a cyber school, as  
25 that term is defined in section 551 of the revised school code, MCL  
26 380.551, and is in compliance with section 553a of the revised  
27 school code, MCL 380.553a, directly receives the federal allocation  
28 under part B of the individuals with disabilities education act,  
29 Public Law 108-446, from the intermediate district in which the

1 cyber school is located, as the subrecipient. If the intermediate  
 2 district does not distribute the funds described in this subsection  
 3 to the cyber school by the part B application due date of July 1,  
 4 the department may distribute the funds described in this  
 5 subsection directly to the cyber school according to the formula  
 6 prescribed in 34 CFR 300.705 and 34 CFR 300.816.

7 (16) For a public school academy that is a cyber school, as  
 8 that term is defined in section 551 of the revised school code, MCL  
 9 380.551, and is in compliance with section 553a of the revised  
 10 school code, MCL 380.553a, that enrolls a pupil under this section,  
 11 the intermediate district in which the cyber school is located  
 12 shall ensure that the cyber school complies with sections 1701a,  
 13 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,  
 14 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,  
 15 and 380.1757; applicable rules; and the individuals with  
 16 disabilities education act, Public Law 108-446.

17 (17) For the purposes of this section, the department or the  
 18 center shall only require a district or intermediate district to  
 19 report information that is not already available from the financial  
 20 information database maintained by the center.

21 Sec. 51c. As required by the court in the consolidated cases  
 22 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the  
 23 allocation under section 51a(1), there is allocated for ~~2019-2020~~  
 24 ~~and for 2020-2021,~~ **2021-2022** the amount necessary, estimated at  
 25 ~~\$678,600,000.00 for 2019-2020 and \$713,400,000.00 for 2020-2021,~~  
 26 **\$733,000,000.00** for payments to reimburse districts for 28.6138% of  
 27 total approved costs of special education excluding costs  
 28 reimbursed under section 53a, and 70.4165% of total approved costs  
 29 of special education transportation. Funds allocated under this

1 section that are not expended in the fiscal year for which they  
 2 were allocated, as determined by the department, may be used to  
 3 supplement the allocations under sections 22a and 22b to fully fund  
 4 those allocations for the same fiscal year. For each fund transfer  
 5 as described in the immediately preceding sentence that occurs, the  
 6 state budget director shall send notification of the transfer to  
 7 the house and senate appropriations subcommittees on state school  
 8 aid and the house and senate fiscal agencies by not later than 14  
 9 calendar days after the transfer occurs.

10       Sec. 51d. (1) From the federal funds appropriated in section  
 11 11, there is allocated for ~~2020-2021~~**2021-2022** all available  
 12 federal funding, estimated at \$71,000,000.00 for special education  
 13 programs and services that are funded by federal grants. The  
 14 department shall distribute all federal funds allocated under this  
 15 section in accordance with federal law. Notwithstanding section  
 16 17b, the department shall make payments of federal funds to  
 17 districts, intermediate districts, and other eligible entities  
 18 under this section on a schedule determined by the department.

19       (2) From the federal funds allocated under subsection (1), the  
 20 following amounts are allocated for ~~2020-2021~~**2021-2022**:

21       (a) An amount estimated at \$14,000,000.00 for handicapped  
 22 infants and toddlers, funded from DED-OSERS, handicapped infants  
 23 and toddlers funds.

24       (b) An amount estimated at \$14,000,000.00 for preschool grants  
 25 ~~(Public Law 94-142)~~, **under Public Law 94-142**, funded from DED-  
 26 OSERS, handicapped preschool incentive funds.

27       (c) An amount estimated at \$43,000,000.00 for special  
 28 education programs funded by DED-OSERS, handicapped program,  
 29 individuals with disabilities act funds.

1 (3) As used in this section, "DED-OSERS" means the United  
2 States Department of Education Office of Special Education and  
3 Rehabilitative Services.

4 Sec. 51f. (1) From the funds appropriated under section 11,  
5 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed  
6 \$60,207,000.00 for payments to districts and intermediate districts  
7 to increase the level of reimbursement of costs associated with  
8 providing special education services required under state and  
9 federal law.

10 (2) A district's or intermediate district's allocation under  
11 this section is equal to the level percentage multiplied by each  
12 district's or intermediate district's costs reported to the center  
13 on the special education actual cost report, known as "SE-4096" as  
14 referred to under section 18(6), as approved by the department.

15 (3) The total reimbursement under this section and under  
16 section 51c must not exceed the total reported costs for a district  
17 or intermediate district.

18 (4) For ~~2020-2021~~**2021-2022**, the level percentage is  
19 estimated at 2.0%.

20 (5) For the purposes of this section, "level percentage" means  
21 the percentage calculated by dividing the allocation in subsection  
22 (1) by the total of costs reported to the center on the special  
23 education actual cost report, known as "SE-4096" as referred to  
24 under section 18(6), as approved by the department.

25 Sec. 53a. (1) For districts, reimbursement for pupils  
26 described in subsection (2) is 100% of the total approved costs of  
27 operating special education programs and services approved by the  
28 department and included in the intermediate district plan adopted  
29 under article 3 of the revised school code, MCL 380.1701 to

1 380.1761, minus the district's foundation allowance calculated  
2 under section 20. For intermediate districts, the department shall  
3 calculate reimbursement for pupils described in subsection (2) in  
4 the same manner as for a district, using the foundation allowance  
5 under section 20 of the pupil's district of residence, not to  
6 exceed the target foundation allowance under section 20 for the  
7 current fiscal year.

8 (2) Reimbursement under subsection (1) is for the following  
9 special education pupils:

10 (a) Pupils assigned to a district or intermediate district  
11 through the community placement program of the courts or a state  
12 agency, if the pupil was a resident of another intermediate  
13 district at the time the pupil came under the jurisdiction of the  
14 court or a state agency.

15 (b) Pupils who are residents of institutions operated by the  
16 department of health and human services.

17 (c) Pupils who are former residents of department of community  
18 health institutions for the developmentally disabled who are placed  
19 in community settings other than the pupil's home.

20 (d) Pupils enrolled in a department-approved on-grounds  
21 educational program longer than 180 days, but not longer than 233  
22 days, at a residential child care institution, if the child care  
23 institution offered in 1991-92 an on-grounds educational program  
24 longer than 180 days but not longer than 233 days.

25 (e) Pupils placed in a district by a parent for the purpose of  
26 seeking a suitable home, if the parent does not reside in the same  
27 intermediate district as the district in which the pupil is placed.

28 (3) Only those costs that are clearly and directly  
29 attributable to educational programs for pupils described in

1 subsection (2), and that would not have been incurred if the pupils  
2 were not being educated in a district or intermediate district, are  
3 reimbursable under this section.

4 (4) The costs of transportation are funded under this section  
5 and are not reimbursed under section 58.

6 (5) The department shall not allocate more than \$10,500,000.00  
7 of the allocation for ~~2020-2021~~**2021-2022** in section 51a(1) under  
8 this section.

9 Sec. 54. Each intermediate district receives an amount per-  
10 pupil for each pupil in attendance at the Michigan Schools for the  
11 Deaf and Blind. The amount is proportionate to the total  
12 instructional cost at each school. The department shall not  
13 allocate more than \$1,688,000.00 of the allocation for ~~2020-2021~~  
14 **2021-2022** in section 51a(1) under this section.

15 Sec. 54b. (1) From the general fund money appropriated in  
16 section 11, there is allocated an amount not to exceed  
17 \$1,600,000.00 for ~~2020-2021~~**2021-2022** to continue the  
18 implementation of the recommendations of the special education  
19 reform task force published in January 2016.

20 (2) The department shall use funds allocated under this  
21 section for the purpose of piloting statewide implementation of the  
22 Michigan Integrated Behavior and Learning Support Initiative  
23 (MiBLSI), a nationally recognized program that includes positive  
24 behavioral intervention and supports and provides a statewide  
25 structure to support local initiatives for an integrated behavior  
26 and reading program. With the assistance of the intermediate  
27 districts involved in MiBLSI, the department shall identify a  
28 number of intermediate districts to participate in the pilot that  
29 is sufficient to ensure that MiBLSI can be implemented statewide

1 with fidelity and sustainability. In addition, the department shall  
2 identify an intermediate district to act as a fiscal agent for  
3 these funds.

4 Sec. 54d. (1) From the ~~appropriations~~**state school aid fund**  
5 **money appropriated** in section 11, there is allocated an amount not  
6 to exceed \$7,150,000.00 for ~~2020-2021~~**2021-2022** to intermediate  
7 districts for the purpose of providing state early on services  
8 programs for children from birth to 3 years of age with a  
9 developmental delay or a disability, or both, and their families,  
10 as described in the early on Michigan state plan, as approved by  
11 the department.

12 (2) To be eligible to receive grant funding under this  
13 section, each intermediate district must apply in a form and manner  
14 determined by the department.

15 (3) The grant funding allocated under this section must be  
16 used to increase early on services and resources available to  
17 children that demonstrate developmental delays to help prepare them  
18 for success as they enter school. State early on services include  
19 evaluating and providing early intervention services for eligible  
20 infants and toddlers and their families to address developmental  
21 delays, including those affecting physical, cognitive,  
22 communication, adaptive, social, or emotional development. Grant  
23 funds must not be used to supplant existing services that are  
24 currently being provided.

25 (4) The department shall distribute the funds allocated under  
26 subsection (1) to intermediate districts according to the  
27 department's early on funding formula utilized to distribute the  
28 federal award to Michigan under part C of the individuals with  
29 disabilities education act, **Public Law 108-446**. Funds received

1 under this section must not supplant existing funds or resources  
2 allocated for early on early intervention services. An intermediate  
3 district receiving funds under this section shall maximize the  
4 capture of Medicaid funds to support early on early intervention  
5 services to the extent possible.

6 (5) Each intermediate district that receives funds under this  
7 section shall report data and other information to the department  
8 in a form, manner, and frequency prescribed by the department to  
9 allow for monitoring and evaluation of the program and to ensure  
10 that the children described in subsection (1) received appropriate  
11 levels and types of services delivered by qualified personnel,  
12 based on the individual needs of the children and their families.

13 (6) Notwithstanding section 17b, the department shall make  
14 payments under this section on a schedule determined by the  
15 department.

16 **(7) Grant funds awarded and allocated to an intermediate**  
17 **district under this section must be expended by the grant recipient**  
18 **before June 30 of the fiscal year immediately following the fiscal**  
19 **year in which the funds are received.**

20 Sec. 55. (1) From the general fund money appropriated in  
21 section 11, there is allocated an amount not to exceed \$250,000.00  
22 for ~~2020-2021~~**2021-2022** to the Conductive Learning Center located  
23 at Aquinas College. This funding must be used to support the  
24 operational costs of the conductive education model taught at the  
25 Conductive Learning Center to maximize the independence and  
26 mobility of children and adults with neuromotor disabilities. The  
27 conductive education model funded under this section must be based  
28 on the concept of neuroplasticity and the ability of people to  
29 learn and improve when they are motivated, regardless of the

1 severity of their disability.

2 (2) Notwithstanding section 17b, the department shall  
3 distribute the funding allocated under this section to the  
4 Conductive Learning Center not later than December 1, ~~2020-2021~~.

5  
6 Sec. 56. (1) For the purposes of this section:

7 (a) "Membership" means for a particular fiscal year the total  
8 membership ~~for the immediately preceding fiscal year~~ of the  
9 intermediate district and the districts constituent to the  
10 intermediate district, **except that if a district has elected not to**  
11 **come under part 30 of the revised school code, MCL 380.1711 to**  
12 **380.1741, membership of the district is not included in the**  
13 **membership of the intermediate district.**

14 (b) "Millage levied" means the millage levied for special  
15 education under part 30 of the revised school code, MCL 380.1711 to  
16 380.1741, including a levy for debt service obligations.

17 (c) "Taxable value" means the total taxable value of the  
18 districts constituent to an intermediate district, except that if a  
19 district has elected not to come under part 30 of the revised  
20 school code, MCL 380.1711 to 380.1741, ~~membership and taxable value~~  
21 of the district ~~are~~ **is** not included in the ~~membership and taxable~~  
22 value of the intermediate district.

23 (2) From the allocation under section 51a(1), there is  
24 allocated ~~\$40,008,100.00 for 2019-2020 and~~ an amount not to exceed  
25 \$40,008,100.00 for ~~2020-2021~~ **2021-2022** to reimburse intermediate  
26 districts levying millages for special education under part 30 of  
27 the revised school code, MCL 380.1711 to 380.1741. The purpose,  
28 use, and expenditure of the reimbursement are limited as if the  
29 funds were generated by these millages and governed by the

1 intermediate district plan adopted under article 3 of the revised  
2 school code, MCL 380.1701 to 380.1761. As a condition of receiving  
3 funds under this section, an intermediate district distributing any  
4 portion of special education millage funds to its constituent  
5 districts must submit for departmental approval and implement a  
6 distribution plan.

7 ~~(3) Except as otherwise provided in this subsection,~~  
8 ~~reimbursement for those millages levied in 2018-2019 is made in~~  
9 ~~2019-2020 at an amount per 2018-2019 membership pupil computed by~~  
10 ~~subtracting from \$201,700.00 the 2018-2019 taxable value behind~~  
11 ~~each membership pupil and multiplying the resulting difference by~~  
12 ~~the 2018-2019 millage levied, and then subtracting from that amount~~  
13 ~~the 2018-2019 local community stabilization share revenue for~~  
14 ~~special education purposes behind each membership pupil for~~  
15 ~~reimbursement of personal property exemption loss under the local~~  
16 ~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to~~  
17 ~~123.1362. Reimbursement in 2019-2020 for an intermediate district~~  
18 ~~whose 2017-2018 allocation was affected by the operation of~~  
19 ~~subsection (5) is an amount equal to 102.5% of the 2017-2018~~  
20 ~~allocation to that intermediate district.~~

21 ~~(4) Except as otherwise provided in this subsection,~~  
22 ~~reimbursement for those millages levied in 2019-2020 is made in~~  
23 ~~2020-2021 at an amount per 2019-2020 membership pupil computed by~~  
24 ~~subtracting from \$209,000.00 the 2019-2020 taxable value behind~~  
25 ~~each membership pupil and multiplying the resulting difference by~~  
26 ~~the 2019-2020 millage levied, and then subtracting from that amount~~  
27 ~~the 2019-2020 local community stabilization share revenue for~~  
28 ~~special education purposes behind each membership pupil for~~  
29 ~~reimbursement of personal property exemption loss under the local~~

~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in 2020-2021 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.~~

**(3) Except as otherwise provided in this subsection, reimbursement for those millages levied in 2020-2021 is made in 2021-2022 at an amount per 2020-2021 membership pupil computed by subtracting from \$215,900.00 the 2020-2021 taxable value behind each membership pupil and multiplying the resulting difference by the 2020-2021 millage levied, and then subtracting from that amount the 2020-2021 local community stabilization share revenue for special education purposes behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in 2021-2022 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (4) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.**

**(4)** ~~(5)~~—The department shall ensure that the amount paid to a single intermediate district under this section does not exceed 62.9% of the total amount allocated under subsection (2).

**(5)** ~~(6)~~—The department shall ensure that the amount paid to a single intermediate district under this section is not less than 75% of the amount allocated to the intermediate district under this section for the immediately preceding fiscal year.

**(6) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$20,000,000.00 for 2021-2022 to provide payments to intermediate**

1 districts levying millages for special education under part 30 of  
2 the revised school code, MCL 380.1711 to 380.1741. The purpose,  
3 use, and expenditure of the payments under this subsection are  
4 limited as if the funds were generated by these millages and  
5 governed by the intermediate district plan adopted under article 3  
6 of the revised school code, MCL 380.1701 to 380.1761. The  
7 department shall provide a payment under this subsection to each  
8 intermediate district described in this subsection as follows:

9 (a) Except as otherwise provided in this subsection, for an  
10 intermediate district with a 2020-2021 3-year average special  
11 education millage revenue per pupil of at least \$300.00 but less  
12 than \$400.00, an amount computed by subtracting from \$400.00 the  
13 2020-2021 3-year average special education millage revenue per  
14 pupil, and then multiplying that amount by the 2020-2021 3-year  
15 average membership, and then subtracting from that amount the  
16 amount allocated under subsection (2) for 2021-2022. If the  
17 calculation under this subdivision results in an amount below 0,  
18 there is no payment under this subdivision.

19 (b) Except as otherwise provided in this subsection, for an  
20 intermediate district with a 2020-2021 3-year average special  
21 education millage revenue per pupil of at least \$400.00 but less  
22 than \$500.00, an amount computed by subtracting from \$500.00 the  
23 2020-2021 3-year average special education millage revenue per  
24 pupil, and then multiplying that amount by the 2020-2021 3-year  
25 average membership, and then subtracting from that amount the  
26 amount allocated under subsection (2) for 2021-2022. If the  
27 calculation under this subdivision results in an amount below 0,  
28 there is no payment under this subdivision.

29 (c) Except as otherwise provided in this subsection, for an

1 intermediate district with a 2020-2021 3-year average special  
2 education millage revenue per pupil of at least \$500.00 but less  
3 than \$650.00, an amount computed by subtracting from \$650.00 the  
4 2020-2021 3-year average special education millage revenue per  
5 pupil, and then multiplying that amount by the 2020-2021 3-year  
6 average membership, and then subtracting from that amount the  
7 amount allocated under subsection (2) for 2021-2022. If the  
8 calculation under this subdivision results in an amount below 0,  
9 there is no payment under this subdivision.

10 (d) For an intermediate district that is levying the maximum  
11 millage rate allowed under section 1724a of the revised school  
12 code, MCL 380.1724a, and that has a 3-year average special  
13 education millage revenue per pupil that is less than \$500.00, an  
14 amount computed by multiplying \$150.00 by the 2020-2021 3-year  
15 average membership, and then subtracting from that amount the  
16 amount allocated under subsection (2) for 2021-2022. If the  
17 calculation under this subdivision results in an amount below 0,  
18 there is no payment under this subdivision.

19 (7) As used in subsection (6):

20 (a) "2020-2021 3-year average membership" means the 3-year  
21 average pupil membership for 2018-2019, 2019-2020, and 2020-2021.

22 (b) "2020-2021 3-year average special education millage  
23 revenue per pupil" means the 3-year average taxable value behind  
24 each membership pupil for 2018-2019, 2019-2020, and 2020-2021  
25 multiplied by the 2020-2021 millage levied.

26 Sec. 61a. (1) From the state school aid fund money  
27 appropriated in section 11, there is allocated an amount not to  
28 exceed \$37,611,300.00 for ~~2020-2021~~ 2021-2022 to reimburse on an  
29 added cost basis districts, except for a district that served as

1 the fiscal agent for a vocational education consortium in the 1993-  
2 94 school year and that has a foundation allowance as calculated  
3 under section 20 greater than the minimum foundation allowance  
4 under that section, and secondary area vocational-technical  
5 education centers for secondary-level career and technical  
6 education programs according to rules approved by the  
7 superintendent. Applications for participation in the programs must  
8 be submitted in the form prescribed by the department. The  
9 department shall determine the added cost for each career and  
10 technical education program area. The department shall prioritize  
11 the allocation of added cost funds based on the capital and program  
12 expenditures needed to operate the career and technical education  
13 programs provided; the number of pupils enrolled; the advancement  
14 of pupils through the instructional program; the existence of an  
15 articulation agreement with at least 1 postsecondary institution  
16 that provides pupils with opportunities to earn postsecondary  
17 credit during the pupil's participation in the career and technical  
18 education program and transfers those credits to the postsecondary  
19 institution upon completion of the career and technical education  
20 program; and the program rank in student placement, job openings,  
21 and wages, and shall ensure that the allocation does not exceed 75%  
22 of the added cost of any program. Notwithstanding any rule or  
23 department determination to the contrary, when determining a  
24 district's allocation or the formula for making allocations under  
25 this section, the department shall include the participation of  
26 pupils in grade 9 in all of those determinations and in all  
27 portions of the formula. With the approval of the department, the  
28 board of a district maintaining a secondary career and technical  
29 education program may offer the program for the period from the

1 close of the school year until September 1. The program shall use  
2 existing facilities and must be operated as prescribed by rules  
3 promulgated by the superintendent.

4 (2) Except for a district that served as the fiscal agent for  
5 a vocational education consortium in the 1993-94 school year, the  
6 department shall reimburse districts and intermediate districts for  
7 local career and technical education administration, shared time  
8 career and technical education administration, and career education  
9 planning district career and technical education administration.  
10 The superintendent shall adopt guidelines for the definition of  
11 what constitutes administration and shall make reimbursement  
12 pursuant to those guidelines. The department shall not distribute  
13 more than \$800,000.00 of the allocation in subsection (1) under  
14 this subsection.

15 (3) A career and technical education program funded under this  
16 section may provide an opportunity for participants who are  
17 eligible to be funded under section 107 to enroll in the career and  
18 technical education program funded under this section if the  
19 participation does not occur during regular school hours.

20 Sec. 61b. (1) From the funds appropriated under section 11,  
21 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed  
22 \$8,000,000.00 from the state school aid fund appropriation for CTE  
23 early/middle college and CTE dual enrollment programs authorized  
24 under this section and for planning grants for the development or  
25 expansion of CTE early/middle college programs. The purpose of  
26 these programs is to increase the number of Michigan residents with  
27 high-quality degrees or credentials, and to increase the number of  
28 students who are college and career ready upon high school  
29 graduation.

1           (2) From the funds allocated under subsection (1), the  
2 department shall allocate an amount as determined under this  
3 subsection to each intermediate district serving as a fiscal agent  
4 for state-approved CTE early/middle college and CTE dual enrollment  
5 programs in each of the career education planning districts  
6 identified by the department. An intermediate district shall not  
7 use more than 5% of the funds allocated under this subsection for  
8 administrative costs for serving as the fiscal agent.

9           (3) To be an eligible fiscal agent, an intermediate district  
10 must agree to do all of the following in a form and manner  
11 determined by the department:

12           (a) Distribute funds to eligible CTE early/middle college and  
13 CTE dual enrollment programs in a career education planning  
14 district as described in this section.

15           (b) Collaborate with the career and educational advisory  
16 council in the workforce development board service delivery area to  
17 develop 1 regional strategic plan under subsection (4) that aligns  
18 CTE programs and services into an efficient and effective delivery  
19 system for high school students. The department will align career  
20 education planning districts, workforce development board service  
21 delivery areas, and intermediate districts for the purpose of  
22 creating 1 regional strategic plan for each workforce development  
23 board service delivery area.

24           (c) Implement a regional process to rank career clusters in  
25 the workforce development board service delivery area as described  
26 under subsection (4). Regional processes must be approved by the  
27 department before the ranking of career clusters.

28           (d) Report CTE early/middle college and CTE dual enrollment  
29 program and student data and information as prescribed by the

1 department and the center.

2 (e) Ensure that the local education agency responsible for  
3 student reporting in the Michigan Student Data System (MSDS) will  
4 report the total number of college credits the student earned, at  
5 the time of high school graduation, as determined by the department  
6 and the center.

7 (f) Ensure that the local education agency will report each  
8 award outcome in the Michigan Student Data System (MSDS) that the  
9 CTE early/middle college student attained. An on-track CTE  
10 early/middle college graduate will have obtained his or her high  
11 school diploma and at least 1 of the following:

12 (i) An associate degree.

13 (ii) 60 transferrable college credits.

14 (iii) Professional certification.

15 (iv) A Michigan Early Middle College Association certificate.

16 (v) Participation in a registered apprenticeship.

17 (4) A regional strategic plan must be approved by the career  
18 and educational advisory council before submission to the  
19 department. A regional strategic plan must include, but is not  
20 limited to, the following:

21 (a) An identification of regional employer need based on a  
22 ranking of all career clusters in the workforce development board  
23 service delivery area ranked by 10-year job openings projections  
24 and median wage for each standard occupational code in each career  
25 cluster as obtained from the United States Bureau of Labor  
26 Statistics. Standard occupational codes within high-ranking  
27 clusters also may be further ranked by median wage. The career and  
28 educational advisory council located in the workforce development  
29 board service delivery area shall review the rankings and modify

1 them if necessary to accurately reflect employer demand for talent  
 2 in the workforce development board service delivery area. A career  
 3 and educational advisory council shall document that it has  
 4 conducted this review and certify that it is accurate. These career  
 5 cluster rankings must be determined and updated once every 4 years.

6 (b) An identification of educational entities in the workforce  
 7 development board service delivery area that will provide eligible  
 8 CTE early/middle college and CTE dual enrollment programs including  
 9 districts, intermediate districts, postsecondary institutions, and  
 10 noncredit occupational training programs leading to an industry-  
 11 recognized credential.

12 (c) A strategy to inform parents and students of CTE  
 13 early/middle college and CTE dual enrollment programs in the  
 14 workforce development board service delivery area.

15 (d) Any other requirements as defined by the department.

16 (5) An eligible CTE program is a program that meets all of the  
 17 following:

18 (a) Has been identified in the highest 5 career cluster  
 19 rankings in any of the 16 workforce development board service  
 20 delivery area strategic plans jointly approved by the department of  
 21 labor and economic opportunity and the department.

22 (b) Has a coherent sequence of courses that will allow a  
 23 student to earn a high school diploma and achieve at least 1 of the  
 24 ~~following~~ **outcomes defined in subsection (3) (f)** in a specific  
 25 career cluster. ÷

26 ~~(i) An associate degree.~~

27 ~~(ii) An industry-recognized technical certification approved by~~  
 28 ~~the department of labor and economic opportunity.~~

29 ~~(iii) Up to 60 transferable college credits.~~

1       ~~(iv) Participation in a registered apprenticeship, pre-~~  
2 ~~apprenticeship, or apprentice readiness program.~~

3       (c) Is aligned with the Michigan merit curriculum.

4       (d) Has an articulation agreement with at least 1  
5 postsecondary institution that provides students with opportunities  
6 to receive postsecondary credits during the student's participation  
7 in the CTE early/middle college or CTE dual enrollment program and  
8 transfers those credits to the postsecondary institution upon  
9 completion of the CTE early/middle college or CTE dual enrollment  
10 program.

11       (e) Provides instruction that is supervised, directed, or  
12 coordinated by an appropriately certificated CTE teacher or, for  
13 concurrent enrollment courses, a postsecondary faculty member.

14       (f) Provides for highly integrated student support services  
15 that include at least the following:

16       (i) Teachers as academic advisors.

17       (ii) Supervised course selection.

18       (iii) Monitoring of student progress and completion.

19       (iv) Career planning services provided by a local one-stop  
20 service center as described in the Michigan works one-stop service  
21 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a  
22 high school counselor or advisor.

23       (g) Has courses that are taught on a college campus, are  
24 college courses offered at the high school and taught by college  
25 faculty, or are courses taught in combination with online  
26 instruction.

27       (6) The department shall distribute funds to eligible CTE  
28 early/middle college and CTE dual enrollment programs as follows:

29       (a) The department shall determine statewide average CTE costs

1 per pupil for each CIP code program by calculating statewide  
2 average costs for each CIP code program for the 3 most recent  
3 fiscal years.

4 (b) The distribution to each eligible CTE early/middle college  
5 or CTE dual enrollment program is the product of 50% of CTE costs  
6 per pupil times the pupil enrollment of each eligible CTE  
7 early/middle college or CTE dual enrollment program in the  
8 immediately preceding school year.

9 (7) In order to receive funds under this section, a CTE  
10 early/middle college or CTE dual enrollment program shall furnish  
11 to the intermediate district that is the fiscal agent identified in  
12 subsection (2), in a form and manner determined by the department,  
13 all information needed to administer this program and meet federal  
14 reporting requirements; shall allow the department or the  
15 department's designee to review all records related to the program  
16 for which it receives funds; and shall reimburse the state for all  
17 disallowances found in the review, as determined by the department.

18 (8) There is allocated for ~~2020-2021~~**2021-2022** from the funds  
19 under subsection (1) an amount not to exceed \$500,000.00 from the  
20 state school aid fund allocation for grants to intermediate  
21 districts or consortia of intermediate districts for the purpose of  
22 planning for new or expanded early/middle college programs.  
23 Applications for grants must be submitted in a form and manner  
24 determined by the department. The amount of a grant under this  
25 subsection must not exceed \$50,000.00. To be eligible for a grant  
26 under this subsection, an intermediate district or consortia of  
27 intermediate districts must provide matching funds equal to the  
28 grant received under this subsection. Notwithstanding section 17b,  
29 the department shall make payments under this subsection in the

1 manner determined by the department.

2 (9) Funds distributed under this section may be used to fund  
3 program expenditures that would otherwise be paid from foundation  
4 allowances. A program receiving funding under section 61a may  
5 receive funding under this section for allowable costs that exceed  
6 the reimbursement the program received under section 61a. The  
7 combined payments received by a program under section 61a and this  
8 section must not exceed the total allowable costs of the program. A  
9 program provider shall not use more than 5% of the funds allocated  
10 under this section to the program for administrative costs.

11 (10) If the allocation under subsection (1) is insufficient to  
12 fully fund payments as otherwise calculated under this section, the  
13 department shall prorate payments under this section on an equal  
14 percentage basis.

15 (11) If pupils enrolled in a career cluster in an eligible CTE  
16 early/middle college or CTE dual enrollment program qualify to be  
17 reimbursed under this section, those pupils continue to qualify for  
18 reimbursement until graduation, even if the career cluster is no  
19 longer identified as being in the highest 5 career cluster  
20 rankings.

21 (12) As used in this section:

22 (a) "Allowable costs" means those costs directly attributable  
23 to the program as jointly determined by the department of labor and  
24 economic opportunity and the department.

25 (b) "Career and educational advisory council" means an  
26 advisory council to the local workforce development boards located  
27 in a workforce development board service delivery area consisting  
28 of educational, employer, labor, and parent representatives.

29 (c) "CIP" means classification of instructional programs.

1 (d) "CTE" means career and technical education programs.

2 (e) "CTE dual enrollment program" means a 4-year high school  
3 program of postsecondary courses offered by eligible postsecondary  
4 educational institutions that leads to an industry-recognized  
5 certification or degree.

6 (f) "Early/middle college program" means a 5-year high school  
7 program.

8 (g) "Eligible postsecondary educational institution" means  
9 that term as defined in section 3 of the career and technical  
10 preparation act, 2000 PA 258, MCL 388.1903.

11 Sec. 61d. (1) From the appropriation in section 11, there is  
12 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed  
13 \$5,000,000.00 from the state school aid fund for additional  
14 payments to districts for career and technical education programs  
15 for the purpose of increasing the number of Michigan residents with  
16 high-quality degrees or credentials, and to increase the number of  
17 pupils who are college- and career-ready upon high school  
18 graduation.

19 (2) The department shall calculate payments to districts under  
20 this section in the following manner:

21 (a) A payment of \$35.00 multiplied by the number of pupils in  
22 grades 9 to 12 who are counted in membership in the district and  
23 are enrolled in at least 1 career and technical education program.

24 (b) An additional payment of \$35.00 multiplied by the number  
25 of pupils in grades 9 to 12 who are counted in membership in the  
26 district and are enrolled in at least 1 career and technical  
27 education program that provides instruction in critical skills and  
28 high-demand career fields.

29 (3) If the allocation under subsection (1) is insufficient to

1 fully fund payments under subsection (2), the department shall  
2 prorate payments under this section on an equal per-pupil basis.

3 (4) As used in this section:

4 (a) "Career and technical education program" means a state-  
5 approved career and technical education program, as determined by  
6 the department.

7 (b) "Career and technical education program that provides  
8 instruction in critical skills and high-demand career field" means  
9 a career and technical education program classified under any of  
10 the following 2-digit classification of instructional programs  
11 (CIP) codes:

12 (i) 01, which refers to "agriculture, agriculture operations,  
13 and related sciences".

14 (ii) 03, which refers to "natural resources and conservation".

15 (iii) 10 through 11, which refers to "communications  
16 technologies/technicians and support services" and "computer and  
17 information sciences and support services".

18 (iv) 14 through 15, which refers to "engineering" and  
19 "engineering technologies and engineering-related fields".

20 (v) 26, which refers to "biological and biomedical sciences".

21 (vi) 46 through 48, which refers to "construction trades",  
22 "mechanic and repair technologies/technicians", and "precision  
23 production".

24 (vii) 51, which refers to "health professions and related  
25 programs".

26 Sec. 62. (1) For the purposes of this section:

27 (a) "Membership" means for a particular fiscal year the total  
28 membership ~~for the immediately preceding fiscal year~~ of the  
29 intermediate district and the districts constituent to the

1 intermediate district or the total membership ~~for the immediately~~  
2 ~~preceding fiscal year~~ of the area vocational-technical program,  
3 **except that if a district has elected not to come under sections**  
4 **681 to 690 of the revised school code, MCL 380.681 to 380.690, the**  
5 **membership of that district is not included in the membership of**  
6 **the intermediate district. However, the membership of a district**  
7 **that has elected not to come under sections 681 to 690 of the**  
8 **revised school code, MCL 380.681 to 380.690, is included in the**  
9 **membership of the intermediate district if the district meets both**  
10 **of the following:**

11 (i) The district operates the area vocational-technical  
12 education program pursuant to a contract with the intermediate  
13 district.

14 (ii) The district contributes an annual amount to the operation  
15 of the program that is commensurate with the revenue that would  
16 have been raised for operation of the program if millage were  
17 levied in the district for the program under sections 681 to 690 of  
18 the revised school code, MCL 380.681 to 380.690.

19 (b) "Millage levied" means the millage levied for area  
20 vocational-technical education under sections 681 to 690 of the  
21 revised school code, MCL 380.681 to 380.690, including a levy for  
22 debt service obligations incurred as the result of borrowing for  
23 capital outlay projects and in meeting capital projects fund  
24 requirements of area vocational-technical education.

25 (c) "Taxable value" means the total taxable value of the  
26 districts constituent to an intermediate district or area  
27 vocational-technical education program, except that if a district  
28 has elected not to come under sections 681 to 690 of the revised  
29 school code, MCL 380.681 to 380.690, the ~~membership and taxable~~

1 value of that district ~~are~~ **is** not included in the ~~membership and~~  
2 taxable value of the intermediate district. However, the ~~membership~~  
3 ~~and~~ taxable value of a district that has elected not to come under  
4 sections 681 to 690 of the revised school code, MCL 380.681 to  
5 380.690, ~~are~~ **is** included in the ~~membership and~~ taxable value of the  
6 intermediate district if the district meets both of the following:

7 (i) The district operates the area vocational-technical  
8 education program pursuant to a contract with the intermediate  
9 district.

10 (ii) The district contributes an annual amount to the operation  
11 of the program that is commensurate with the revenue that would  
12 have been raised for operation of the program if millage were  
13 levied in the district for the program under sections 681 to 690 of  
14 the revised school code, MCL 380.681 to 380.690.

15 (2) From the appropriation in section 11, there is allocated  
16 an amount not to exceed \$9,190,000.00 ~~each fiscal year for 2019-~~  
17 ~~2020 and for 2020-2021-2021-2022~~ to reimburse intermediate  
18 districts and area vocational-technical education programs  
19 established under section 690(3) of the revised school code, MCL  
20 380.690, levying millages for area vocational-technical education  
21 under sections 681 to 690 of the revised school code, MCL 380.681  
22 to 380.690. The purpose, use, and expenditure of the reimbursement  
23 are limited as if the funds were generated by those millages.

24 ~~(3) Reimbursement for those millages levied in 2018-2019 is~~  
25 ~~made in 2019-2020 at an amount per 2018-2019 membership pupil~~  
26 ~~computed by subtracting from \$210,800.00 the 2018-2019 taxable~~  
27 ~~value behind each membership pupil and multiplying the resulting~~  
28 ~~difference by the 2018-2019 millage levied, and then subtracting~~  
29 ~~from that amount the 2018-2019 local community stabilization share~~

1 ~~revenue for area vocational technical education behind each~~  
 2 ~~membership pupil for reimbursement of personal property exemption~~  
 3 ~~loss under the local community stabilization authority act, 2014 PA~~  
 4 ~~86, MCL 123.1341 to 123.1362.~~

5 (3) ~~(4)~~ Reimbursement for those millages levied in ~~2019-2020~~  
 6 **2020-2021** is made in ~~2020-2021~~ **2021-2022** at an amount per ~~2019-2020~~  
 7 **2020-2021** membership pupil computed by subtracting from ~~\$218,800.00~~  
 8 **\$224,800.00** the ~~2019-2020~~ **2020-2021** taxable value behind each  
 9 membership pupil and multiplying the resulting difference by the  
 10 ~~2019-2020~~ **2020-2021** millage levied, and then subtracting from that  
 11 amount the ~~2019-2020~~ **2020-2021** local community stabilization share  
 12 revenue for area vocational technical education behind each  
 13 membership pupil for reimbursement of personal property exemption  
 14 loss under the local community stabilization authority act, 2014 PA  
 15 86, MCL 123.1341 to 123.1362.

16 (4) ~~(5)~~ The department shall ensure that the amount paid to a  
 17 single intermediate district under this section does not exceed  
 18 38.4% of the total amount allocated under subsection (2).

19 (5) ~~(6)~~ The department shall ensure that the amount paid to a  
 20 single intermediate district under this section is not less than  
 21 75% of the amount allocated to the intermediate district under this  
 22 section for the immediately preceding fiscal year.

23 Sec. 65. (1) From the ~~appropriation~~ **state school aid fund**  
 24 **money appropriated** under section 11, there is allocated an amount  
 25 not to exceed \$400,000.00 for ~~2020-2021~~ **2021-2022** for a pre-college  
 26 engineering K-12 educational program that is focused on the  
 27 development of a diverse future Michigan workforce, that serves  
 28 multiple communities within southeast Michigan, that enrolls pupils  
 29 from multiple districts, and that received funds appropriated for

1 this purpose in the appropriations act that provided the Michigan  
2 strategic fund budget for 2014-2015.

3 (2) To be eligible for funding under this section, a program  
4 must have the ability to expose pupils to, and motivate and prepare  
5 pupils for, science, technology, engineering, and mathematics  
6 careers and postsecondary education with special attention given to  
7 groups of pupils who are at-risk and underrepresented in technical  
8 professions and careers.

9

10 Sec. 67a. (1) From the general fund money appropriated under  
11 section 11, there is allocated an amount not to exceed \$50,000.00  
12 for ~~2020-2021~~ **2021-2022** for a grant to be distributed by the  
13 department to an organization to provide industrial and  
14 technological education and workforce preparation for students and  
15 professional development opportunities and support for teachers.

16 (2) Notwithstanding section 17b, the department shall make  
17 grant payments under this section on a schedule determined by the  
18 department.

19 Sec. 74. (1) From the ~~amount appropriated~~ **state school aid**  
20 **fund money appropriated** in section 11, there is allocated an amount  
21 not to exceed ~~\$3,814,500.00~~ **\$3,805,800.00** for ~~2020-2021~~ **2021-2022**  
22 for the purposes of this section.

23 (2) From the allocation in subsection (1), there is allocated  
24 for ~~2020-2021~~ **2021-2022** the amount necessary for payments to state  
25 supported colleges or universities and intermediate districts  
26 providing school bus driver safety instruction under section 51 of  
27 the pupil transportation act, 1990 PA 187, MCL 257.1851. The  
28 department shall make payments in an amount determined by the  
29 department not to exceed the actual cost of instruction and driver

1 compensation for each public or nonpublic school bus driver  
 2 attending a course of instruction. For the purpose of computing  
 3 compensation, the hourly rate allowed each school bus driver must  
 4 not exceed the hourly rate received for driving a school bus. The  
 5 department shall make reimbursement compensating the driver during  
 6 the course of instruction to the college or university or  
 7 intermediate district providing the course of instruction.

8 (3) From the allocation in subsection (1), there is allocated  
 9 for ~~2020-2021~~ **2021-2022** the amount necessary to pay the reasonable  
 10 costs of nonspecial education auxiliary services transportation  
 11 provided under section 1323 of the revised school code, MCL  
 12 380.1323. Districts funded under this subsection do not receive  
 13 funding under any other section of this article for nonspecial  
 14 education auxiliary services transportation.

15 (4) From the funds allocated in subsection (1), there is  
 16 allocated an amount not to exceed ~~\$1,789,500.00~~ **\$1,780,800.00** for  
 17 ~~2020-2021~~ **2021-2022** for reimbursement to districts and intermediate  
 18 districts for costs associated with the inspection of school buses  
 19 and pupil transportation vehicles by the department of state police  
 20 as required under section 715a of the Michigan vehicle code, 1949  
 21 PA 300, MCL 257.715a, and section 39 of the pupil transportation  
 22 act, 1990 PA 187, MCL 257.1839. The department of state police  
 23 shall prepare a statement of costs attributable to each district  
 24 for which bus inspections are provided and submit it to the  
 25 department and to an intermediate district serving as fiduciary in  
 26 a time and manner determined jointly by the department and the  
 27 department of state police. Upon review and approval of the  
 28 statement of cost, the department shall forward to the designated  
 29 intermediate district serving as fiduciary the amount of the

1 reimbursement on behalf of each district and intermediate district  
2 for costs detailed on the statement within 45 days after receipt of  
3 the statement. The designated intermediate district shall make  
4 payment in the amount specified on the statement to the department  
5 of state police within 45 days after receipt of the statement. The  
6 total reimbursement of costs under this subsection must not exceed  
7 the amount allocated under this subsection. Notwithstanding section  
8 17b, the department shall make payments to eligible entities under  
9 this subsection on a schedule prescribed by the department.

10       Sec. 81. (1) From the ~~appropriation~~**state school aid fund**  
11 **money appropriated** in section 11, there is allocated for ~~2020-2021~~  
12 **2021-2022** to the intermediate districts the sum necessary, but not  
13 to exceed \$69,138,000.00, to provide state aid to intermediate  
14 districts under this section.

15       (2) The amount allocated under this section to each  
16 intermediate district is an amount equal to 100% of the amount  
17 allocated to the intermediate district under this section for ~~2019-~~  
18 ~~2020-~~**2020-2021**. An intermediate district shall use funding  
19 provided under this section to comply with requirements of this  
20 article and the revised school code that are applicable to  
21 intermediate districts, and for which funding is not provided  
22 elsewhere in this article, and to provide technical assistance to  
23 districts as authorized by the intermediate school board.

24       (3) Intermediate districts receiving funds under this section  
25 shall collaborate with the department to develop expanded  
26 professional development opportunities for teachers to update and  
27 expand their knowledge and skills needed to support the Michigan  
28 merit curriculum.

29       (4) From the allocation in subsection (1), there is allocated

1 to an intermediate district, formed by the consolidation or  
2 annexation of 2 or more intermediate districts or the attachment of  
3 a total intermediate district to another intermediate district or  
4 the annexation of all of the constituent K-12 districts of a  
5 previously existing intermediate district which has disorganized,  
6 an additional allotment of \$3,500.00 each fiscal year for each  
7 intermediate district included in the new intermediate district for  
8 3 years following consolidation, annexation, or attachment.

9 (5) In order to receive funding under this section, an  
10 intermediate district shall do all of the following:

11 (a) Demonstrate to the satisfaction of the department that the  
12 intermediate district employs at least 1 person who is trained in  
13 pupil accounting and auditing procedures, rules, and regulations.

14 (b) Demonstrate to the satisfaction of the department that the  
15 intermediate district employs at least 1 person who is trained in  
16 rules, regulations, and district reporting procedures for the  
17 individual-level student data that serves as the basis for the  
18 calculation of the district and high school graduation and dropout  
19 rates.

20 (c) Comply with sections 1278a and 1278b of the revised school  
21 code, MCL 380.1278a and 380.1278b.

22 (d) Furnish data and other information required by state and  
23 federal law to the center and the department in the form and manner  
24 specified by the center or the department, as applicable.

25 (e) Comply with section 1230g of the revised school code, MCL  
26 380.1230g.

27 Sec. 94. (1) From the general fund money appropriated in  
28 section 11, there is allocated to the department for ~~2020-2021~~  
29 **2021-2022** an amount not to exceed \$1,200,000.00 for efforts to

1 increase the number of pupils who participate and succeed in  
2 advanced placement and international baccalaureate programs, and to  
3 support the college-level examination program (CLEP).

4 (2) From the funds allocated under this section, the  
5 department shall award funds to cover all or part of the costs of  
6 advanced placement test fees or international baccalaureate test  
7 fees and international baccalaureate registration fees for low-  
8 income pupils who take an advanced placement or an international  
9 baccalaureate test and CLEP fees for low-income pupils who take a  
10 CLEP test.

11 (3) The department shall only award funds under this section  
12 if the department determines that all of the following criteria are  
13 met:

14 (a) Each pupil for whom payment is made meets eligibility  
15 requirements of the federal advanced placement test fee program  
16 under section 1701 of the no child left behind act of 2001, Public  
17 Law 107-110, or under a corresponding provision of the every  
18 student succeeds act, Public Law 114-95.

19 (b) The tests are administered by the college board, the  
20 international baccalaureate organization, or another test provider  
21 approved by the department.

22 (c) The pupil for whom payment is made pays at least \$5.00  
23 toward the cost of each test for which payment is made.

24 (4) The department shall establish procedures for awarding  
25 funds under this section.

26 (5) Notwithstanding section 17b, the department shall make  
27 payments under this section on a schedule determined by the  
28 department.

29 Sec. 94a. (1) There is created within the state budget office

1 in the department of technology, management, and budget the center  
2 for educational performance and information. The center shall do  
3 all of the following:

4 (a) Coordinate the collection of all data required by state  
5 and federal law from districts, intermediate districts, and  
6 postsecondary institutions.

7 (b) Create, maintain, and enhance this state's P-20  
8 longitudinal data system and ensure that it meets the requirements  
9 of subsection (4).

10 (c) Collect data in the most efficient manner possible in  
11 order to reduce the administrative burden on reporting entities,  
12 including, but not limited to, electronic transcript services.

13 (d) Create, maintain, and enhance this state's web-based  
14 educational portal to provide information to school leaders,  
15 teachers, researchers, and the public in compliance with all  
16 federal and state privacy laws. Data must include, but are not  
17 limited to, all of the following:

18 (i) ~~Data~~ **As required under other state laws or federal law,**  
19 **data** sets that link teachers to student information. ~~, allowing~~  
20 ~~districts to assess individual teacher impact on student~~  
21 ~~performance and consider student growth factors in teacher and~~  
22 ~~principal evaluation systems.~~

23 (ii) Data access or, if practical, data sets, provided for  
24 regional data hubs that, in combination with local data, can  
25 improve teaching and learning in the classroom.

26 (iii) Research-ready data sets for researchers to perform  
27 research that advances this state's educational performance.

28 (e) Provide data in a useful manner to allow state and local  
29 policymakers to make informed policy decisions.

1 (f) Provide public reports to the residents of this state to  
 2 allow them to assess allocation of resources and the return on  
 3 their investment in the education system of this state.

4 (g) Other functions as assigned by the state budget director.

5 (2) Each state department, officer, or agency that collects  
 6 information from districts, intermediate districts, or  
 7 postsecondary institutions as required under state or federal law  
 8 shall make arrangements with the center to ensure that the state  
 9 department, officer, or agency is in compliance with subsection  
 10 (1). This subsection does not apply to information collected by the  
 11 department of treasury under the uniform budgeting and accounting  
 12 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal  
 13 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond  
 14 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to  
 15 388.1939; or section 1351a of the revised school code, MCL  
 16 380.1351a.

17 (3) The center may enter into any interlocal agreements  
 18 necessary to fulfill its functions.

19 (4) The center shall ensure that the P-20 longitudinal data  
 20 system required under subsection (1)(b) meets all of the following:

21 (a) Includes data at the individual student level from  
 22 preschool through postsecondary education and into the workforce.

23 (b) Supports interoperability by using standard data  
 24 structures, data formats, and data definitions to ensure linkage  
 25 and connectivity in a manner that facilitates the exchange of data  
 26 among agencies and institutions within the state and between  
 27 states.

28 (c) ~~Enables~~ **As required under other state laws or federal law,**  
 29 **enables** the matching of individual teacher and student records so

1 that an individual student may be matched with those teachers  
2 providing instruction to that student **for programs and services**  
3 **specified in the complementary sections of law.**

4 (d) Enables the matching of individual teachers with  
5 information about their certification and the institutions that  
6 prepared and recommended those teachers for state certification.

7 (e) Enables data to be easily generated for continuous  
8 improvement and decision-making, including timely reporting to  
9 parents, teachers, and school leaders on student achievement.

10 (f) Ensures the reasonable quality, validity, and reliability  
11 of data contained in the system.

12 (g) Provides this state with the ability to meet federal and  
13 state reporting requirements.

14 (h) For data elements related to preschool through grade 12  
15 and postsecondary, meets all of the following:

16 (i) Contains a unique statewide student identifier that does  
17 not permit a student to be individually identified by users of the  
18 system, except as allowed by federal and state law.

19 (ii) Contains student-level enrollment, demographic, and  
20 program participation information.

21 (iii) Contains student-level information about the points at  
22 which students exit, transfer in, transfer out, drop out, or  
23 complete education programs.

24 (iv) Has the capacity to communicate with higher education data  
25 systems.

26 (i) For data elements related to preschool through grade 12  
27 only, meets all of the following:

28 (i) Contains yearly test records of individual students for  
29 assessments approved by DED-OESE for accountability purposes under

1 section 1111(b) of the elementary and secondary education act of  
 2 1965, 20 USC 6311, including information on individual students not  
 3 tested, by grade and subject.

4 (ii) ~~Contains~~ **As required under other state laws or federal**  
 5 **law, contains** student-level transcript information, including  
 6 information on courses completed and grades earned **for programs and**  
 7 **services specified in complementary sections of law.**

8 (iii) Contains student-level college readiness test scores.

9 (j) For data elements related to postsecondary education only:

10 (i) Contains data that provide information regarding the extent  
 11 to which individual students transition successfully from secondary  
 12 school to postsecondary education, including, but not limited to,  
 13 all of the following:

14 (A) Enrollment in remedial coursework.

15 (B) Completion of 1 year's worth of college credit applicable  
 16 to a degree within 2 years of enrollment.

17 (ii) Contains data that provide other information determined  
 18 necessary to address alignment and adequate preparation for success  
 19 in postsecondary education.

20 (5) From the general fund money appropriated in section 11,  
 21 there is allocated an amount not to exceed ~~\$16,848,900.00~~  
 22 **\$16,802,500.00** for ~~2020-2021-2021-2022~~ to the department of  
 23 technology, management, and budget to support the operations of the  
 24 center. In addition, from the federal funds appropriated in section  
 25 11, there is allocated for ~~2020-2021-2021-2022~~ the amount  
 26 necessary, estimated at \$193,500.00, to support the operations of  
 27 the center and to establish a P-20 longitudinal data system  
 28 necessary for state and federal reporting purposes. The center  
 29 shall cooperate with the department to ensure that this state is in

1 compliance with federal law and is maximizing opportunities for  
2 increased federal funding to improve education in this state.

3 (6) From the funds allocated in subsection (5), the center may  
4 use an amount determined by the center for competitive grants for  
5 ~~2020-2021-2021-2022~~ to support collaborative efforts on the P-20  
6 longitudinal data system. All of the following apply to grants  
7 awarded under this subsection:

8 (a) The center shall award competitive grants to eligible  
9 intermediate districts or a consortium of intermediate districts  
10 based on criteria established by the center.

11 (b) Activities funded under the grant must support the P-20  
12 longitudinal data system portal and may include portal hosting,  
13 hardware and software acquisition, maintenance, enhancements, user  
14 support and related materials, and professional learning tools and  
15 activities aimed at improving the utility of the P-20 longitudinal  
16 data system.

17 (c) An applicant that received a grant under this subsection  
18 for the immediately preceding fiscal year has priority for funding  
19 under this section. However, after 3 fiscal years of continuous  
20 funding, an applicant is required to compete openly with new  
21 applicants.

22 (7) Funds allocated under this section that are not expended  
23 in the fiscal year in which they were allocated may be carried  
24 forward to a subsequent fiscal year and are appropriated for the  
25 purposes for which the funds were originally allocated.

26 (8) The center may bill departments as necessary in order to  
27 fulfill reporting requirements of state and federal law. The center  
28 may also enter into agreements to supply custom data, analysis, and  
29 reporting to other principal executive departments, state agencies,

1 local units of government, and other individuals and organizations.  
2 The center may receive and expend funds in addition to those  
3 authorized in subsection (5) to cover the costs associated with  
4 salaries, benefits, supplies, materials, and equipment necessary to  
5 provide such data, analysis, and reporting services.

6 (9) As used in this section, ÷

7 ~~(a) "DED-OESE" means the United States Department of Education~~  
8 ~~Office of Elementary and Secondary Education.~~

9 ~~(b) "State education agency" means the department.~~

10 Sec. 95b. (1) From the general fund money appropriated under  
11 section 11, there is allocated an amount not to exceed  
12 \$2,000,000.00 for **2021-2022 for** the model value-added growth and  
13 projection analytics system. The department shall continue the  
14 model value-added growth and projection analytics system and  
15 incorporate that model into its reporting requirements under the  
16 every student succeeds act, Public Law 114-95. ~~It is the intent of~~  
17 ~~the legislature to fund the model under this section for 2021-2022~~  
18 ~~only if at least 50% of districts that are not public school~~  
19 ~~academies opt in to student-teacher linkages provided by the model~~  
20 ~~value-added growth and projection analytics system and there is~~  
21 ~~verification that the value-added reporting platform continued~~  
22 ~~hosting and delivery of historical reporting as determined based on~~  
23 ~~the report under subsection (5).~~ The model described in this  
24 subsection must do at least all of the following:

25 (a) Utilize existing assessments and any future assessments  
26 that are suitable for measuring student growth.

27 (b) Report student growth measures at the district, school,  
28 teacher, and subgroup levels.

29 (c) Recognize the growth of tested students, including those

1 who may have missing assessment data.

2 (d) Include all available prior standardized assessment data  
3 that meet inclusion criteria across grades, subjects, and state and  
4 local assessments.

5 (e) Allow student growth results to be disaggregated.

6 (f) Provide individual student projections showing the  
7 probability of a student reaching specific performance levels on  
8 future assessments. Given school closures and extended  
9 cancellations related to COVID-19, the data under this subdivision  
10 may be used to inform decisions about student placement or students  
11 that could benefit from additional supports or interventions.

12 (g) Demonstrate any prior success with this state's  
13 assessments through the Michigan council of educator effectiveness  
14 teacher evaluation pilot.

15 (h) Demonstrate prior statewide implementation in at least 2  
16 other states for at least 10 years.

17 (i) Have a native roster verification system built into the  
18 value-added reporting platform that has been implemented statewide  
19 in at least 2 other states.

20 (j) Have a "help/contact us" ticketing system built into the  
21 value-added reporting platform.

22 (k) Given school closures that have occurred pursuant to an  
23 executive order issued by the governor, the value-added reporting  
24 platform must provide continued hosting and delivery of reporting  
25 and offer the department additional supports in the areas of  
26 research, analysis, web reporting, and training.

27 (l) The department and the platform vendor shall provide  
28 statewide training for educators to understand the reporting that  
29 details the impact to student learning and growth.

1           (2) The department shall provide internet-based electronic  
2 student growth and projection reporting based on the model under  
3 subsection (1) to educators at the school, district, and state  
4 levels. The model must include role-based permissions that allow  
5 educators to access information about the performance of the  
6 students within their immediate responsibility in accordance with  
7 applicable privacy laws.

8           (3) The model under subsection (1) must not be a mandatory  
9 part of teacher evaluation or educator pay-for-performance systems.

10           (4) The model under subsection (1) must be a model that  
11 received funding under this section in 2018-2019.

12           (5) By March 31, ~~2021~~, **2022**, the department shall work with  
13 the center to provide a report to the senate and house  
14 appropriations subcommittees on ~~state~~-school aid and the senate and  
15 house fiscal agencies regarding the number of districts that are  
16 not public school academies that opted in to student-teacher  
17 linkages in their use of the model value-added growth and  
18 projection analytics system under this section. The report under  
19 this subsection must also include verification that the value-added  
20 reporting platform continued hosting and delivery of historical  
21 reporting and specify any additional research and analysis offered  
22 to the department.

23           **Sec. 94c. (1) From the general fund money appropriated in**  
24 **section 11, there is allocated an amount not to exceed**  
25 **\$2,500,000.00 for 2021-2022 to the center to, in consultation with**  
26 **the superintendent of public instruction, the department, and the**  
27 **department of technology, management, and budget, do all of the**  
28 **following:**

29           **(a) Streamline the reporting that districts and intermediate**

1 districts are required to submit under state law. Districts or  
2 intermediate districts are not required to produce or report any  
3 data under this subdivision that are not already otherwise required  
4 to be produced or reported under state law.

5 (b) Develop an annual process to measure and compare  
6 noninstructional staffing and spending by districts and  
7 intermediate districts and propose options to help districts and  
8 intermediate districts optimize noninstructional spending over  
9 time. Districts and intermediate districts are not required to  
10 modify their spending due to the operation of this subdivision. As  
11 used in this subdivision, "noninstructional spending" does not  
12 include facility costs, leases, rental payments, or other capital  
13 costs.

14 (c) Subject to subsection (2), develop an information  
15 technology strategy for the K to 12 system and identify a short  
16 list of information technology systems that districts and  
17 intermediate districts may choose from that meet both of the  
18 following:

19 (i) Are aligned to the information technology strategy  
20 described in this subdivision.

21 (ii) Can be used by districts and intermediate districts in  
22 transition as existing information technology systems are retired.

23 (2) A district or intermediate district is not required to  
24 select for use an information technology system described in  
25 subsection (1)(c) due to the operation of subsection (1)(c).

26 (3) This section does not impose any new or additional  
27 reporting requirements upon districts and intermediate districts,  
28 and a district or intermediate district must not be subject to new  
29 or additional reporting requirements due to the operation of this

1 section.

2       Sec. 97. (1) For 2021-2022, from the state school aid fund  
3 money appropriated under section 11, there is allocated an amount  
4 not to exceed \$7,500,000.00 and from the general fund money  
5 appropriated under section 11, there is allocated an amount not to  
6 exceed \$2,500,000.00 for competitive grants to public schools,  
7 nonpublic schools, districts, and intermediate districts to  
8 purchase technology equipment, upgrade hardening measures, or  
9 conduct school building safety assessments to improve the safety  
10 and security of school buildings, pupils or students, and school  
11 staff with the goal of creating a safer school environment through  
12 equipment and technology enhancements. The department of state  
13 police, grants and community services division, shall administer  
14 the grant program described in this subsection. All grants under  
15 this subsection must be funded on a reimbursement-only basis.  
16 Grants under this subsection must not exceed \$50,000.00 for each  
17 public school or nonpublic school and \$250,000.00 for each district  
18 or intermediate district.

19       (2) All of the following apply to the application process for  
20 funding under subsection (1):

21       (a) To receive funding under subsection (1), a public school,  
22 nonpublic school, district, or intermediate district shall submit  
23 an application for funding under subsection (1) directly to the  
24 department of state police, grants and community services division.

25       (b) An application from a district or intermediate district  
26 under this subsection must be for 1 or more buildings that have  
27 some or all of pre-K to grade 12 classrooms and pupils.

28       (c) An applicant may submit only 1 application.

29       (d) An individual public school may submit its own application

1 but must not also be included in its district's application if the  
2 district submits an application under this subsection.

3 (e) The department of state police shall award grants to  
4 applicants based on eligibility, the project description, and  
5 whether the project reflects the highest security need of the  
6 applicant within grant funding constraints, the budget narrative,  
7 the budget, project goals, objectives, and performance measures.

8 (f) The department of state police shall give priority to all  
9 of the following applicants:

10 (i) Applicants seeking funding for projects that involve  
11 multiple agencies working in partnership.

12 (ii) Applicants seeking funding for proposals that seek to  
13 secure exterior access points of school buildings.

14 (iii) Applicants that did not receive a school safety grant in  
15 the past.

16 (iv) Applicants that did not receive a grant under section 1001  
17 of article XX of 2018 PA 207 or under section 115 of 2018 PA 618.

18 (g) To be awarded a grant, an applicant must demonstrate proof  
19 that the public school, nonpublic school, district, or intermediate  
20 district has an emergency operation plan that was updated after  
21 August 1, 2017 to align with the state emergency operations plan  
22 guidance and statewide school safety information policy developed  
23 under section 1308 of the revised school code, MCL 380.1308.

24 (h) The department of state police shall issue grant guidance  
25 and application materials, including required performance measures,  
26 not later than February 1, 2022.

27 (3) The department of state police shall not award funding  
28 under subsection (1) to a public school, nonpublic school,  
29 district, or intermediate district in relation to the same school

1 building more than once. If a district submits an application under  
2 subsection (2) relating to a school building and a public school  
3 within that district also submits an application for funding in  
4 relation to that same school building, the department of state  
5 police shall not allocate funding under subsection (1) twice for  
6 that school building. If a public school, nonpublic school,  
7 district, or intermediate district submits more than 1 application,  
8 the department of state police shall first consider the most recent  
9 application submitted in considering funding under subsection (1).

10 (4) Eligible expenses for reimbursement under subsection (1)  
11 must be consistent with the recommendations of the school safety  
12 task force created by Executive Order No. 2018-5. The department of  
13 state police shall list the eligible expenses in the grant guidance  
14 and application materials described under subsection (2). The  
15 following items are not eligible expenses for which grant funds  
16 under subsection (1) may be applied:

- 17 (a) Weapons, including tasers.
- 18 (b) Personal body armor for routine use.
- 19 (c) Construction of new facilities.
- 20 (d) Costs in applying for the grant, such as consultants and  
21 grant writers.
- 22 (e) Expenses incurred before the date of the award or after  
23 the end of the performance period of the grant award.
- 24 (f) Personnel costs or operation costs related to a capital  
25 improvement.
- 26 (g) Indirect costs or indirect administrative expenses.
- 27 (h) Travel.
- 28 (i) Contributions or donations.
- 29 (j) Management or administrative training and conferences,

1 except as otherwise preapproved by the department of state police.

2 (k) Management studies or research and development.

3 (l) Memberships and dues, except for a specific requirement of  
4 the project that has been preapproved by the department of state  
5 police.

6 (m) Vehicles, watercraft, or aircraft, including unmanned or  
7 remotely piloted aircraft and vehicles.

8 (n) Service contracts and training beyond the performance  
9 period of the grant award.

10 (o) Food, refreshments, and snacks.

11 (5) A grantee under section 1001 of article XX of 2018 PA 207  
12 that is a public school, nonpublic school, district, or  
13 intermediate district or a grantee under section 115 of 2018 PA 618  
14 that is a public school, nonpublic school, district, or  
15 intermediate district is not prohibited from applying for, and  
16 receiving, a grant award under this section.

17 (6) The department of state police shall begin issuing awards  
18 for grants under subsection (1) not later than May 1, 2022. A  
19 project that is awarded a grant under this section must be  
20 completed by July 1, 2023.

21 (7) The department of state police shall report on grant  
22 activities under this section, including available performance  
23 outcomes as identified in individual grant agreements, to the  
24 senate and house appropriations subcommittees on state police, the  
25 senate and house fiscal agencies, and the state budget office by  
26 August 1, 2023.

27 (8) The funds allocated for school safety grants under this  
28 section for 2021-2022 are a work project appropriation, and any  
29 unexpended funds for 2021-2022 do not lapse to the state school aid

1 fund or general fund and are carried forward into 2022-2023. The  
2 purpose of the work project is to continue promoting safer school  
3 environments. The estimated completion date of the work project is  
4 July 1, 2023.

5 (9) The department of state police shall ensure that a grant  
6 to a nonpublic school under this section is funded from the general  
7 fund money allocated under this section.

8 Sec. 98. (1) From the general fund money appropriated in  
9 section 11, there is allocated an amount not to exceed  
10 \$7,500,000.00 for ~~2020-2021~~**2021-2022** for the purposes described in  
11 this section. The Michigan Virtual University shall provide a  
12 report to the legislature not later than November 1 of each year  
13 that includes its mission, its plans, and proposed benchmarks it  
14 must meet, including a plan to achieve the organizational  
15 priorities identified in this section, in order to receive full  
16 funding for ~~2021-2022~~**2022-2023**. Not later than March 1 of each  
17 year, the Michigan Virtual University shall provide an update to  
18 the house and senate appropriations subcommittees on school aid to  
19 show the progress being made to meet the benchmarks identified.

20 (2) The Michigan Virtual University shall operate the Michigan  
21 Virtual Learning Research Institute. The Michigan Virtual Learning  
22 Research Institute shall do all of the following:

23 (a) Support and accelerate innovation in education through the  
24 following activities:

25 (i) Test, evaluate, and recommend as appropriate new  
26 technology-based instructional tools and resources.

27 (ii) Research, design, and recommend virtual education delivery  
28 models for use by pupils and teachers that include age-appropriate  
29 multimedia instructional content.

1           (iii) Research, develop, and recommend annually to the  
2 department criteria by which cyber schools and virtual course  
3 providers should be monitored and evaluated to ensure a quality  
4 education for their pupils.

5           (iv) Based on pupil completion and performance data reported to  
6 the department or the center from cyber schools and other virtual  
7 course providers operating in this state, analyze the effectiveness  
8 of virtual learning delivery models in preparing pupils to be  
9 college- and career-ready and publish a report that highlights  
10 enrollment totals, completion rates, and the overall impact on  
11 pupils. The Michigan Virtual Learning Research Institute shall  
12 submit the report to the house and senate appropriations  
13 subcommittees on ~~state~~-school aid, the state budget director, the  
14 house and senate fiscal agencies, the department, districts, and  
15 intermediate districts not later than March 31 of each year.

16           (v) Provide an extensive professional development program to  
17 at least 30,000 educational personnel, including teachers, school  
18 administrators, and school board members, that focuses on the  
19 effective integration of virtual learning into curricula and  
20 instruction. The Michigan Virtual Learning Research Institute is  
21 encouraged to work with the MiSTEM advisory council created under  
22 section 99s to coordinate professional development of teachers in  
23 applicable fields. In addition, the Michigan Virtual Learning  
24 Research Institute and external stakeholders are encouraged to  
25 coordinate with the department for professional development in this  
26 state. Not later than December 1 of each year, the Michigan Virtual  
27 Learning Research Institute shall submit a report to the house and  
28 senate appropriations subcommittees on state school aid, the state  
29 budget director, the house and senate fiscal agencies, and the

1 department on the number of teachers, school administrators, and  
2 school board members who have received professional development  
3 services from the Michigan Virtual University. The report must also  
4 identify barriers and other opportunities to encourage the adoption  
5 of virtual learning in the public education system.

6 (vi) Identify and share best practices for planning,  
7 implementing, and evaluating virtual and blended education delivery  
8 models with intermediate districts, districts, and public school  
9 academies to accelerate the adoption of innovative education  
10 delivery models statewide.

11 (b) Provide leadership for this state's system of virtual  
12 learning education by doing the following activities:

13 (i) Develop and report policy recommendations to the governor  
14 and the legislature that accelerate the expansion of effective  
15 virtual learning in this state's schools.

16 (ii) Provide a clearinghouse for research reports, academic  
17 studies, evaluations, and other information related to virtual  
18 learning.

19 (iii) Promote and distribute the most current instructional  
20 design standards and guidelines for virtual teaching.

21 (iv) In collaboration with the department and interested  
22 colleges and universities in this state, support implementation and  
23 improvements related to effective virtual learning instruction.

24 (v) Pursue public/private partnerships that include districts  
25 to study and implement competency-based technology-rich virtual  
26 learning models.

27 (vi) Create a statewide network of school-based mentors serving  
28 as liaisons between pupils, virtual instructors, parents, and  
29 school staff, as provided by the department or the center, and

1 provide mentors with research-based training and technical  
2 assistance designed to help more pupils be successful virtual  
3 learners.

4 (vii) Convene focus groups and conduct annual surveys of  
5 teachers, administrators, pupils, parents, and others to identify  
6 barriers and opportunities related to virtual learning.

7 (viii) Produce an annual consumer awareness report for schools  
8 and parents about effective virtual education providers and  
9 education delivery models, performance data, cost structures, and  
10 research trends.

11 (ix) Provide an internet-based platform that educators can use  
12 to create student-centric learning tools and resources for sharing  
13 in the state's open educational resource repository and facilitate  
14 a user network that assists educators in using the content creation  
15 platform and state repository for open educational resources. As  
16 part of this initiative, the Michigan Virtual University shall work  
17 collaboratively with districts and intermediate districts to  
18 establish a plan to make available virtual resources that align to  
19 Michigan's K-12 curriculum standards for use by students,  
20 educators, and parents.

21 (x) Create and maintain a public statewide catalog of virtual  
22 learning courses being offered by all public schools and community  
23 colleges in this state. The Michigan Virtual Learning Research  
24 Institute shall identify and develop a list of nationally  
25 recognized best practices for virtual learning and use this list to  
26 support reviews of virtual course vendors, courses, and  
27 instructional practices. The Michigan Virtual Learning Research  
28 Institute shall also provide a mechanism for intermediate districts  
29 to use the identified best practices to review content offered by

1 constituent districts. The Michigan Virtual Learning Research  
2 Institute shall review the virtual course offerings of the Michigan  
3 Virtual University, and make the results from these reviews  
4 available to the public as part of the statewide catalog. The  
5 Michigan Virtual Learning Research Institute shall ensure that the  
6 statewide catalog is made available to the public on the Michigan  
7 Virtual University website and shall allow the ability to link it  
8 to each district's website as provided for in section 21f. The  
9 statewide catalog must also contain all of the following:

10 (A) The number of enrollments in each virtual course in the  
11 immediately preceding school year.

12 (B) The number of enrollments that earned 60% or more of the  
13 total course points for each virtual course in the immediately  
14 preceding school year.

15 (C) The pass rate for each virtual course.

16 (xi) Support registration, payment services, and transcript  
17 functionality for the statewide catalog and train key stakeholders  
18 on how to use new features.

19 (xii) Collaborate with key stakeholders to examine district  
20 level accountability and teacher effectiveness issues related to  
21 virtual learning under section 21f and make findings and  
22 recommendations publicly available.

23 (xiii) Provide a report on the activities of the Michigan  
24 Virtual Learning Research Institute.

25 (3) To further enhance its expertise and leadership in virtual  
26 learning, the Michigan Virtual University shall continue to operate  
27 the Michigan Virtual School as a statewide laboratory and quality  
28 model of instruction by implementing virtual and blended learning  
29 solutions for Michigan schools in accordance with the following

1 parameters:

2 (a) The Michigan Virtual School must maintain its  
3 accreditation status from recognized national and international  
4 accrediting entities.

5 (b) The Michigan Virtual University shall use no more than  
6 \$1,000,000.00 of the amount allocated under this section to  
7 subsidize the cost paid by districts for virtual courses.

8 (c) In providing educators responsible for the teaching of  
9 virtual courses as provided for in this section, the Michigan  
10 Virtual School shall follow the requirements to request and assess,  
11 and the department of state police shall provide, a criminal  
12 history check and criminal records check under sections 1230 and  
13 1230a of the revised school code, MCL 380.1230 and 380.1230a, in  
14 the same manner as if the Michigan Virtual School were a school  
15 district under those sections.

16 (4) From the funds allocated under subsection (1), the  
17 Michigan Virtual University shall allocate up to \$500,000.00 to  
18 support the expansion of new online and blended educator  
19 professional development programs.

20 (5) If the course offerings are included in the statewide  
21 catalog of virtual courses under subsection (2)(b)(x), the Michigan  
22 Virtual School operated by the Michigan Virtual University may  
23 offer virtual course offerings, including, but not limited to, all  
24 of the following:

25 (a) Information technology courses.

26 (b) College level equivalent courses, as **that term is** defined  
27 in section 1471 of the revised school code, MCL 380.1471.

28 (c) Courses and dual enrollment opportunities.

29 (d) Programs and services for at-risk pupils.

1 (e) High school equivalency test preparation courses for  
2 adjudicated youth.

3 (f) Special interest courses.

4 (g) Professional development programs for teachers, school  
5 administrators, other school employees, and school board members.

6 (6) If a home-schooled or nonpublic school student is a  
7 resident of a district that subscribes to services provided by the  
8 Michigan Virtual School, the student may use the services provided  
9 by the Michigan Virtual School to the district without charge to  
10 the student beyond what is charged to a district pupil using the  
11 same services.

12 (7) Not later than December 1 of each fiscal year, the  
13 Michigan Virtual University shall provide a report to the house and  
14 senate appropriations subcommittees on ~~state~~-school aid, the state  
15 budget director, the house and senate fiscal agencies, and the  
16 department that includes at least all of the following information  
17 related to the Michigan Virtual School for the preceding state  
18 fiscal year:

19 (a) A list of the districts served by the Michigan Virtual  
20 School.

21 (b) A list of virtual course titles available to districts.

22 (c) The total number of virtual course enrollments and  
23 information on registrations and completions by course.

24 (d) The overall course completion rate percentage.

25 (8) In addition to the information listed in subsection (7),  
26 the report under subsection (7) must also include a plan to serve  
27 at least 600 schools with courses from the Michigan Virtual School  
28 or with content available through the internet-based platform  
29 identified in subsection (2) (b) (ix).

1           (9) The governor may appoint an advisory group for the  
2 Michigan Virtual Learning Research Institute established under  
3 subsection (2). The members of the advisory group serve at the  
4 pleasure of the governor and without compensation. The purpose of  
5 the advisory group is to make recommendations to the governor, the  
6 legislature, and the president and board of the Michigan Virtual  
7 University that will accelerate innovation in this state's  
8 education system in a manner that will prepare elementary and  
9 secondary students to be career and college ready and that will  
10 promote the goal of increasing the percentage of residents of this  
11 state with high-quality degrees and credentials to at least 60% by  
12 2025.

13           (10) Not later than November 1 of each year, the Michigan  
14 Virtual University shall submit to the house and senate  
15 appropriations subcommittees on ~~state~~-school aid, the state budget  
16 director, and the house and senate fiscal agencies a detailed  
17 budget for that fiscal year that includes a breakdown on its  
18 projected costs to deliver virtual educational services to  
19 districts and a summary of the anticipated fees to be paid by  
20 districts for those services. Not later than March 1 each year, the  
21 Michigan Virtual University shall submit to the house and senate  
22 appropriations subcommittees on ~~state~~-school aid, the state budget  
23 director, and the house and senate fiscal agencies a breakdown on  
24 its actual costs to deliver virtual educational services to  
25 districts and a summary of the actual fees paid by districts for  
26 those services based on audited financial statements for the  
27 immediately preceding fiscal year.

28           (11) As used in this section:

29           (a) "Blended learning" means a hybrid instructional delivery

1 model where pupils are provided content, instruction, and  
 2 assessment, in part at a supervised educational facility away from  
 3 home where the pupil and a teacher with a valid Michigan teaching  
 4 certificate are in the same physical location and in part through  
 5 internet-connected learning environments with some degree of pupil  
 6 control over time, location, and pace of instruction.

7 (b) "Cyber school" means a full-time instructional program of  
 8 virtual courses for pupils that may or may not require attendance  
 9 at a physical school location.

10 (c) "Virtual course" means a course of study that is capable  
 11 of generating a credit or a grade and that is provided in an  
 12 interactive learning environment in which the majority of the  
 13 curriculum is delivered using the internet and in which pupils are  
 14 separated from their instructor or teacher of record by time or  
 15 location, or both.

16 Sec. 99h. (1) From the state school aid fund money  
 17 appropriated in section 11, there is allocated an amount not to  
 18 exceed ~~\$4,400,000.00~~ **\$4,723,200.00** for ~~2020-2021~~ **2021-2022** for  
 19 competitive grants to districts and intermediate districts, and  
 20 from the general fund money appropriated in section 11, there is  
 21 allocated ~~\$300,000.00~~ **\$600,000.00** for ~~2020-2021~~ **2021-2022** for  
 22 competitive grants to nonpublic schools, that provide pupils in  
 23 grades pre-K to 12 with expanded opportunities to improve  
 24 mathematics, science, and technology skills by participating in  
 25 events hosted by a science and technology development program known  
 26 as FIRST (for inspiration and recognition of science and  
 27 technology) Robotics, including JR FIRST Lego League, FIRST Lego  
 28 League, FIRST Tech challenge, and FIRST Robotics competition, or  
 29 other competitive robotics programs, including VEX and those hosted

1 by the Robotics Education and Competition (REC) Foundation.  
2 Programs funded under this section are intended to increase the  
3 number of pupils demonstrating proficiency in science and  
4 mathematics on the state assessments and to increase the number of  
5 pupils who are college- and career-ready upon high school  
6 graduation. Notwithstanding section 17b, the department shall make  
7 grant payments to districts, nonpublic schools, and intermediate  
8 districts under this section on a schedule determined by the  
9 department. The department shall set maximum grant awards for each  
10 different level of programming and competition in a manner that  
11 both maximizes the number of teams that will be able to receive  
12 funds and expands the geographical distribution of teams.

13 (2) A district, nonpublic school, or intermediate district  
14 applying for a grant under this section shall submit an application  
15 in a form and manner prescribed by the department. To be eligible  
16 for a grant, a district, nonpublic school, or intermediate district  
17 must demonstrate in its application that the district, nonpublic  
18 school, or intermediate district has established a partnership for  
19 the purposes of the robotics program with at least 1 sponsor,  
20 business entity, higher education institution, or technical school,  
21 shall submit a spending plan, and shall provide a local in-kind or  
22 cash match from other private or local funds of at least 25% of the  
23 cost of the robotics program award.

24 (3) The department shall distribute the grant funding under  
25 this section for the following purposes:

26 (a) Grants to districts, nonpublic schools, or intermediate  
27 districts to pay for stipends not to exceed \$1,500.00 per building  
28 for coaching.

29 (b) Grants to districts, nonpublic schools, or intermediate

1 districts for event registrations, materials, travel costs, and  
2 other expenses associated with the preparation for and attendance  
3 at robotics events and competitions.

4 (c) Grants to districts, nonpublic schools, or intermediate  
5 districts for awards to teams that advance to the next levels of  
6 competition as determined by the department. The department shall  
7 determine an equal amount per team for those teams that advance.

8 (4) The funds allocated under this section for ~~2020-2021-2021-~~  
9 **2022** are a work project appropriation, and any unexpended funds for  
10 ~~2020-2021-2021-2022~~ are carried forward into ~~2021-2022-~~**2022-2023**.  
11 The purpose of the work project is to continue support of FIRST  
12 Robotics and must not be used to support other robotics  
13 competitions. The estimated completion date of the work project is  
14 September 30, 2023.

15 (5) A nonpublic school that receives a grant under this  
16 section may use the funds for either robotics or Science Olympiad  
17 programs.

18 (6) To be eligible to receive funds under this section, a  
19 nonpublic school must be a nonpublic school registered with the  
20 department and must meet all applicable state reporting  
21 requirements for nonpublic schools.

22 Sec. 99s. (1) From the funds appropriated under section 11,  
23 there is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed  
24 \$7,634,300.00 from the state school aid fund appropriation and an  
25 amount not to exceed \$300,000.00 from the general fund  
26 appropriation for Michigan science, technology, engineering, and  
27 mathematics (MiSTEM) programs. In addition, from the federal funds  
28 appropriated in section 11, there is allocated to the department  
29 for ~~2020-2021-2021-2022~~ an amount estimated at \$235,000.00 from

1 DED-OESE, title II, mathematics and science partnership grants. The  
2 MiSTEM network may receive funds from private sources. If the  
3 MiSTEM network receives funds from private sources, the MiSTEM  
4 network shall expend those funds in alignment with the statewide  
5 STEM strategy. Programs funded under this section are intended to  
6 increase the number of pupils demonstrating proficiency in science  
7 and mathematics on the state assessments, to increase the number of  
8 pupils who are college- and career-ready upon high school  
9 graduation, and to promote certificate and degree attainment in  
10 STEM fields. Notwithstanding section 17b, the department shall make  
11 payments under this section on a schedule determined by the  
12 department.

13 (2) All of the following apply to the MiSTEM advisory council:

14 (a) The MiSTEM advisory council is created. The MiSTEM  
15 advisory council shall provide to the governor, legislature,  
16 department of labor and economic opportunity, and department  
17 recommendations designed to improve and promote innovation in STEM  
18 education and to prepare students for careers in science,  
19 technology, engineering, and mathematics.

20 (b) The MiSTEM advisory council created under subdivision (a)  
21 consists of the following members:

22 (i) The governor shall appoint 11 voting members who are  
23 representative of business sectors that are important to Michigan's  
24 economy and rely on a STEM-educated workforce, nonprofit  
25 organizations and associations that promote STEM education, K-12  
26 and postsecondary education entities involved in STEM-related  
27 career education, or other sectors as considered appropriate by the  
28 governor. Each of these members serves at the pleasure of the  
29 governor and for a term determined by the governor.

1           (ii) The senate majority leader shall appoint 2 members of the  
2 senate to serve as nonvoting, ex-officio members of the MiSTEM  
3 advisory council, including 1 majority party member and 1 minority  
4 party member.

5           (iii) The speaker of the house of representatives shall appoint  
6 2 members of the house of representatives to serve as nonvoting,  
7 ex-officio members of the MiSTEM advisory council, including 1  
8 majority party member and 1 minority party member.

9           (iv) The governor shall appoint 1 state officer or employee to  
10 serve as a nonvoting, ex-officio member of the MiSTEM advisory  
11 council.

12           (c) Each member of the MiSTEM advisory council serves without  
13 compensation.

14           (d) The MiSTEM advisory council annually shall review and make  
15 recommendations to the governor, the legislature, and the  
16 department concerning changes to the statewide strategy adopted by  
17 the council for delivering STEM education-related opportunities to  
18 pupils. The MiSTEM advisory council shall use funds received under  
19 this subsection to ensure that its members or their designees are  
20 trained in the Change the Equation STEMworks rating system program  
21 for the purpose of rating STEM programs.

22           (3) The MiSTEM advisory council shall make specific funding  
23 recommendations for the funds allocated under subsection (4) by  
24 December 15 of each fiscal year. Each specific funding  
25 recommendation must be for a program approved by the MiSTEM  
26 advisory council. All of the following apply:

27           (a) To be eligible for MiSTEM advisory council approval as  
28 described in this subsection, a program must satisfy all of the  
29 following:

1 (i) Align with this state's academic standards.

2 (ii) Have STEMworks certification.

3 (iii) Provide project-based experiential learning, student  
4 programming, or educator professional learning experiences.

5 (iv) Focus predominantly on classroom-based STEM experiences or  
6 professional learning experiences.

7 (b) The MiSTEM advisory council shall approve programs that  
8 represent all network regions and include a diverse array of  
9 options for students and educators and at least 1 program in each  
10 of the following areas:

11 (i) Robotics.

12 (ii) Computer science or coding.

13 (iii) Engineering or bioscience.

14 (c) The MiSTEM advisory council is encouraged to work with the  
15 MiSTEM network to develop locally and regionally developed programs  
16 and professional learning experiences for the programs on the list  
17 of approved programs.

18 (d) If the MiSTEM advisory council is unable to make specific  
19 funding recommendations by December 15 of a fiscal year, the  
20 department shall award and distribute the funds allocated under  
21 subsection (4) on a competitive grant basis that at least follows  
22 the statewide STEM strategy plan and rating system recommended by  
23 the MiSTEM advisory council. Each grant must provide STEM  
24 education-related opportunities for pupils.

25 (e) The MiSTEM advisory council shall work with the executive  
26 director of the MiSTEM network to implement the statewide STEM  
27 strategy adopted by the MiSTEM advisory council.

28 (4) ~~From~~ **Except as otherwise provide in this subsection, from**  
29 the state school aid fund money allocated under subsection (1),

1 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed  
2 \$3,050,000.00 for the purpose of funding programs under this  
3 section for ~~2020-2021~~**2021-2022** as recommended by the MiSTEM  
4 advisory council. **However, from the allocation under this**  
5 **subsection, the council shall recommend and the department shall**  
6 **award \$350,000.00 in grants to intermediate districts to implement**  
7 **fabrication laboratories (Fab Labs). The council shall recommend**  
8 **and the department shall only award 10 grants described in the**  
9 **immediately preceding sentence in an amount not to exceed**  
10 **\$35,000.00 each.**

11 (5) From the state school aid fund money allocated under  
12 subsection (1), there is allocated an amount not to exceed  
13 \$3,834,300.00 for ~~2020-2021~~**2021-2022** to support the activities and  
14 programs of the MiSTEM network regions. In addition, from the  
15 federal funds allocated under subsection (1), there is allocated  
16 for ~~2020-2021~~**2021-2022** an amount estimated at \$235,000.00 from  
17 DED-OESE, title II, mathematics and science partnership grants, for  
18 the purposes of this subsection. From the money allocated under  
19 this subsection, the department shall award the fiscal agent for  
20 each MiSTEM network region \$200,000.00 for the base operations of  
21 each region. The department shall distribute the remaining funds to  
22 each fiscal agent in an equal amount per pupil, based on the number  
23 of K to 12 pupils enrolled in districts within each region in the  
24 immediately preceding fiscal year.

25 (6) A MiSTEM network region shall do all of the following:

26 (a) Collaborate with the career and educational advisory  
27 council that is located in the MiSTEM region to develop a regional  
28 strategic plan for STEM education that creates a robust regional  
29 STEM culture, that empowers STEM teachers, that integrates business

1 and education into the STEM network, and that ensures high-quality  
 2 STEM experiences for pupils. At a minimum, a regional STEM  
 3 strategic plan should do all of the following:

4 (i) Identify regional employer need for STEM.

5 (ii) Identify processes for regional employers and educators to  
 6 create guided pathways for STEM careers that include internships or  
 7 externships, apprenticeships, and other experiential engagements  
 8 for pupils.

9 (iii) Identify educator professional ~~development~~**learning**  
 10 opportunities, including internships or externships and  
 11 apprenticeships, that integrate this state's science standards into  
 12 high-quality STEM experiences that engage pupils.

13 (b) Facilitate regional STEM events such as educator and  
 14 employer networking and STEM career fairs to raise STEM awareness.

15 (c) Contribute to the MiSTEM website and engage in other  
 16 MiSTEM network functions to further the mission of STEM in this  
 17 state in coordination with the MiSTEM advisory council and its  
 18 executive director.

19 (d) Facilitate application and implementation of state and  
 20 federal funds under this subsection and any other grants or funds  
 21 for the MiSTEM network region.

22 (e) Work with districts to provide STEM programming and  
 23 professional learning.

24 (f) Coordinate recurring discussions and work with the career  
 25 and educational advisory council to ensure that feedback and best  
 26 practices are being shared, including funding, program,  
 27 professional learning opportunities, and regional strategic plans.

28 (7) From the state school aid fund money allocated under  
 29 subsection (1), the department shall distribute for ~~2020-2021~~**2021-**

1 **2022** an amount not to exceed \$750,000.00, in a form and manner  
2 determined by the department, to those network regions able to  
3 provide curriculum and professional development support to assist  
4 districts in implementing the Michigan merit curriculum components  
5 for mathematics and science.

6 (8) In order to receive state or federal funds under  
7 subsection (5) or (7), or to receive funds from private sources as  
8 authorized under subsection (1), a grant recipient must allow  
9 access for the department or the department's designee to audit all  
10 records related to the program for which it receives those funds.  
11 The grant recipient shall reimburse the state for all disallowances  
12 found in the audit.

13 (9) In order to receive state funds under subsection (5) or  
14 (7), a grant recipient must provide at least a ~~10%~~**25%** local match  
15 from local public or private resources for the funds received under  
16 this subsection.

17 (10) Not later than July 1 of each year, a MiSTEM network  
18 region that receives funds under subsection (5) shall report to the  
19 executive director of the MiSTEM network in a form and manner  
20 prescribed by the executive director on performance measures  
21 developed by the MiSTEM network regions and approved by the  
22 executive director. The performance measures must be designed to  
23 ensure that the activities of the MiSTEM network are improving  
24 student academic outcomes.

25 (11) Not more than 5% of a MiSTEM network region grant under  
26 subsection (5) or (7) may be retained by a fiscal agent for serving  
27 as the fiscal agent of a MiSTEM network region.

28 (12) From the general fund money allocated under subsection  
29 (1), there is allocated an amount not to exceed \$300,000.00 to the

1 department of labor and economic opportunity to support the  
2 functions of the executive director and executive assistant for the  
3 MiSTEM network, and for administrative, training, and travel costs  
4 related to the MiSTEM advisory council. The executive director and  
5 executive assistant for the MiSTEM network shall do all of the  
6 following:

7 (a) Serve as a liaison among and between the department, the  
8 department of labor and economic opportunity, the MiSTEM advisory  
9 council, the governor's future talent council, the MiSTEM regions,  
10 and any other relevant organization or entity in a manner that  
11 creates a robust statewide STEM culture, that empowers STEM  
12 teachers, that integrates business and education into the STEM  
13 network, and that ensures high-quality STEM experiences for pupils.

14 (b) Coordinate the implementation of a marketing campaign,  
15 including, but not limited to, a website that includes dashboards  
16 of outcomes, to build STEM awareness and communicate STEM needs and  
17 opportunities to pupils, parents, educators, and the business  
18 community.

19 (c) Work with the department and the MiSTEM advisory council  
20 to coordinate, award, and monitor MiSTEM state and federal grants  
21 to the MiSTEM network regions and conduct reviews of grant  
22 recipients, including, but not limited to, pupil experience and  
23 feedback.

24 (d) Report to the governor, the legislature, the department,  
25 and the MiSTEM advisory council annually on the activities and  
26 performance of the MiSTEM network regions.

27 (e) Coordinate recurring discussions and work with regional  
28 staff to ensure that a network or loop of feedback and best  
29 practices are shared, including funding, programming, professional

1 learning opportunities, discussion of MiSTEM strategic vision, and  
2 regional objectives.

3 (f) Coordinate major grant application efforts with the MiSTEM  
4 advisory council to assist regional staff with grant applications  
5 on a local level. The MiSTEM advisory council shall leverage  
6 private and nonprofit relationships to coordinate and align private  
7 funds in addition to funds appropriated under this section.

8 (g) Train state and regional staff in the STEMworks rating  
9 system, in collaboration with the MiSTEM advisory council and the  
10 department.

11 (h) Hire MiSTEM network region staff in collaboration with the  
12 network region fiscal agent.

13 (13) As used in this section:

14 (a) "Career and educational advisory council" means an  
15 advisory council to the local workforce development boards located  
16 in a prosperity region consisting of educational, employer, labor,  
17 and parent representatives.

18 (b) "DED" means the United States Department of Education.

19 (c) "DED-OESE" means the DED Office of Elementary and  
20 Secondary Education.

21 (d) "STEM" means science, technology, engineering, and  
22 mathematics delivered in an integrated fashion using cross-  
23 disciplinary learning experiences that can include language arts,  
24 performing and fine arts, and career and technical education.

25 **Sec. 99aa. (1) From the state school aid fund money**  
26 **appropriated in section 11, there is allocated an amount not to**  
27 **exceed \$450,000.00 for 2021-2022 to 1 eligible intermediate**  
28 **district to provide opportunities for high school students with**  
29 **disabilities to train for, gain, and maintain competitive**

1 employment.

2 (2) An intermediate district that has partnered with Project  
3 SEARCH to provide the opportunities described in subsection (1) is  
4 an eligible intermediate district under this section.

5 (3) The funds allocated under this section for 2021-2022 are a  
6 work project appropriation, and any unexpended funds for 2021-2022  
7 are carried forward into 2022-2023. The purpose of the work project  
8 is to provide for the continuation of opportunities for high school  
9 students with disabilities as described in subsection (1). The  
10 estimated completion date of the work project is September 30,  
11 2023.

12 Sec. 101. (1) To be eligible to receive state aid under this  
13 article, not later than the fifth Wednesday after the pupil  
14 membership count day and not later than the fifth Wednesday after  
15 the supplemental count day, each district superintendent shall  
16 submit and certify to the center and the intermediate  
17 superintendent, in the form and manner prescribed by the center,  
18 the number of pupils enrolled and in regular daily attendance, ~~or,~~  
19 ~~for 2020-2021 only, the number of pupils engaged in pandemic~~  
20 ~~learning for fall 2020 or the number of pupils engaged in pandemic~~  
21 ~~learning for spring 2021, as applicable, or, for a district that~~  
22 ~~operates as a cyber school, as that term is defined in section 551~~  
23 ~~of the revised school code, MCL 380.551, the number of pupils~~  
24 ~~enrolled and in regular daily attendance, including identification~~  
25 ~~of tuition-paying pupils, in the district as of the pupil~~  
26 ~~membership count day and as of the supplemental count day, as~~  
27 ~~applicable, for the current school year. In addition, a district~~  
28 ~~maintaining school during the entire year shall submit and certify~~  
29 ~~to the center and the intermediate superintendent, in the form and~~

1 manner prescribed by the center, the number of pupils enrolled and  
 2 in regular daily attendance in the district ~~or, for 2020-2021 only,~~  
 3 ~~the number of pupils engaged in pandemic learning for fall 2020 or~~  
 4 ~~the number of pupils engaged in pandemic learning for spring 2021,~~  
 5 ~~as applicable, or, for a district that operates as a cyber school,~~  
 6 ~~as that term is defined in section 551 of the revised school code,~~  
 7 ~~MCL 380.551, the number of pupils enrolled and in regular daily~~  
 8 ~~attendance,~~ for the current school year pursuant to rules  
 9 promulgated by the superintendent. Not later than the sixth  
 10 Wednesday after the pupil membership count day and not later than  
 11 the sixth Wednesday after the supplemental count day, the district  
 12 shall resolve any pupil membership conflicts with another district,  
 13 correct any data issues, and recertify the data in a form and  
 14 manner prescribed by the center and file the certified data with  
 15 the intermediate superintendent. If a district fails to submit and  
 16 certify the attendance data, as required under this subsection, the  
 17 center shall notify the department and the department shall  
 18 withhold state aid due to be distributed under this article from  
 19 the defaulting district immediately, beginning with the next  
 20 payment after the failure and continuing with each payment until  
 21 the district complies with this subsection. If a district does not  
 22 comply with this subsection by the end of the fiscal year, the  
 23 district forfeits the amount withheld. A person who willfully  
 24 falsifies a figure or statement in the certified and sworn copy of  
 25 enrollment is subject to penalty as prescribed by section 161. ~~As~~  
 26 ~~used in this subsection, "pupils engaged in pandemic learning for~~  
 27 ~~spring 2021" means that term as defined in section 6a.~~

28 (2) To be eligible to receive state aid under this article,  
 29 not later than the twenty-fourth Wednesday after the pupil

1 membership count day and not later than the twenty-fourth Wednesday  
 2 after the supplemental count day, an intermediate district shall  
 3 submit to the center, in a form and manner prescribed by the  
 4 center, the audited enrollment and attendance data as described in  
 5 subsection (1) for the pupils of its constituent districts and of  
 6 the intermediate district. If an intermediate district fails to  
 7 submit the audited data as required under this subsection, the  
 8 department shall withhold state aid due to be distributed under  
 9 this article from the defaulting intermediate district immediately,  
 10 beginning with the next payment after the failure and continuing  
 11 with each payment until the intermediate district complies with  
 12 this subsection. If an intermediate district does not comply with  
 13 this subsection by the end of the fiscal year, the intermediate  
 14 district forfeits the amount withheld.

15 (3) Except as otherwise provided in subsections (11) ~~and~~  
 16 (12) ~~and (13)~~, all of the following apply to the provision of  
 17 pupil instruction:

18 (a) Except as otherwise provided in this section, each  
 19 district shall provide at least 1,098 hours and 180 days of pupil  
 20 instruction. If a collective bargaining agreement that provides a  
 21 complete school calendar was in effect for employees of a district  
 22 as of June 24, 2014, and if that school calendar is not in  
 23 compliance with this subdivision, then this subdivision does not  
 24 apply to that district until after the expiration of that  
 25 collective bargaining agreement. A district may apply for a waiver  
 26 under subsection (9) from the requirements of this subdivision.

27 (b) Except as otherwise provided in this article, a district  
 28 failing to comply with the required minimum hours and days of pupil  
 29 instruction under this subsection forfeits from its total state aid

1 allocation an amount determined by applying a ratio of the number  
2 of hours or days the district was in noncompliance in relation to  
3 the required minimum number of hours and days under this  
4 subsection. Not later than **the first business day in** August, ~~1,~~ the  
5 board of each district shall either certify to the department that  
6 the district was in full compliance with this section regarding the  
7 number of hours and days of pupil instruction in the previous  
8 school year, or report to the department, in a form and manner  
9 prescribed by the center, each instance of noncompliance. If the  
10 district did not provide at least the required minimum number of  
11 hours and days of pupil instruction under this subsection, the  
12 department shall make the deduction of state aid in the following  
13 fiscal year from the first payment of state school aid. A district  
14 is not subject to forfeiture of funds under this subsection for a  
15 fiscal year in which a forfeiture was already imposed under  
16 subsection (6).

17 (c) Hours or days lost because of strikes or teachers'  
18 conferences are not counted as hours or days of pupil instruction.

19 (d) Except as otherwise provided in subdivisions (e) ~~, and~~  
20 (f), ~~and (h),~~ if a district does not have at least 75% of the  
21 district's membership in attendance on any day of pupil  
22 instruction, the department shall pay the district state aid in  
23 that proportion of 1/180 that the actual percent of attendance  
24 bears to 75%.

25 (e) If a district adds 1 or more days of pupil instruction to  
26 the end of its instructional calendar for a school year to comply  
27 with subdivision (a) because the district otherwise would fail to  
28 provide the required minimum number of days of pupil instruction  
29 even after the operation of subsection (4) due to conditions not

1 within the control of school authorities, then subdivision (d) does  
2 not apply for any day of pupil instruction that is added to the end  
3 of the instructional calendar. Instead, for any of those days, if  
4 the district does not have at least 60% of the district's  
5 membership in attendance on that day, the department shall pay the  
6 district state aid in that proportion of 1/180 that the actual  
7 percentage of attendance bears to 60%. For any day of pupil  
8 instruction added to the instructional calendar as described in  
9 this subdivision, the district shall report to the department the  
10 percentage of the district's membership that is in attendance, in  
11 the form and manner prescribed by the department.

12 (f) At the request of a district that operates a department-  
13 approved alternative education program and that does not provide  
14 instruction for pupils in all of grades K to 12, the superintendent  
15 shall grant a waiver from the requirements of subdivision (d). The  
16 waiver must provide that an eligible district is subject to the  
17 proration provisions of subdivision (d) only if the district does  
18 not have at least 50% of the district's membership in attendance on  
19 any day of pupil instruction. In order to be eligible for this  
20 waiver, a district must maintain records to substantiate its  
21 compliance with the following requirements:

22 (i) The district offers the minimum hours of pupil instruction  
23 as required under this section.

24 (ii) For each enrolled pupil, the district uses appropriate  
25 academic assessments to develop an individual education plan that  
26 leads to a high school diploma.

27 (iii) The district tests each pupil to determine academic  
28 progress at regular intervals and records the results of those  
29 tests in that pupil's individual education plan.

1 (g) All of the following apply to a waiver granted under  
2 subdivision (f):

3 (i) If the waiver is for a blended model of delivery, a waiver  
4 that is granted for the 2011-2012 fiscal year or a subsequent  
5 fiscal year remains in effect unless it is revoked by the  
6 superintendent.

7 (ii) If the waiver is for a 100% online model of delivery and  
8 the educational program for which the waiver is granted makes  
9 educational services available to pupils for a minimum of at least  
10 1,098 hours during a school year and ensures that each pupil  
11 participates in the educational program for at least 1,098 hours  
12 during a school year, a waiver that is granted for the 2011-2012  
13 fiscal year or a subsequent fiscal year remains in effect unless it  
14 is revoked by the superintendent.

15 (iii) A waiver that is not a waiver described in subparagraph  
16 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the  
17 superintendent, and must be renewed at the end of the 3-year period  
18 to remain in effect.

19 ~~(h) For the 2020-2021 school year only, subdivision (d) does~~  
20 ~~not apply for any day of pupil instruction. However, for the 2020-~~  
21 ~~2021 school year only, a district shall ensure that 1-2-way~~  
22 ~~interaction occurs between a pupil enrolled in the district and the~~  
23 ~~pupil's teacher or at least 1 of the pupil's teachers or another~~  
24 ~~district employee who has responsibility for the pupil's learning,~~  
25 ~~grade progression, or academic progress during each month of the~~  
26 ~~school year for at least 75% of pupils enrolled in the district. As~~  
27 ~~used in the immediately preceding sentence, "school year" means a~~  
28 ~~period comprising at least 9 calendar months that are chosen by a~~  
29 ~~district and that are designated as part of the district's 2020-~~

~~1 2021 school year. If a district does not ensure that the  
 2 interactions required under this subdivision occur for at least 75%  
 3 of pupils enrolled in the district as required under this  
 4 subdivision, the department shall pay the district state aid in  
 5 that proportion of 1/9 that the actual percentage of interaction  
 6 during each month bears to 75%. As used in this subdivision, "2-way  
 7 interaction" means a communication that occurs between a pupil and  
 8 the pupil's teacher or at least 1 of the pupil's teachers or  
 9 another district employee who has responsibility for the pupil's  
 10 learning, grade progression, or academic progress, where 1 party  
 11 initiates communication and a response from the other party follows  
 12 that communication, and that is relevant to course progress or  
 13 course content for at least 1 of the courses in which the pupil is  
 14 enrolled or relevant to the pupil's overall academic progress or  
 15 grade progression. Responses, as described in this subdivision,  
 16 must be to communication initiated by the teacher, by another  
 17 district employee who has responsibility for the pupil's learning,  
 18 grade progression, or academic progress, or by the pupil, and not  
 19 some other action taken. The communication described in this  
 20 subdivision may occur through, but is not limited to, any of the  
 21 following means:~~

- ~~22 (i) Electronic mail.~~
- ~~23 (ii) Telephone.~~
- ~~24 (iii) Instant messaging.~~
- ~~25 (iv) Face-to-face conversation.~~

26 **(h)** ~~(i)~~ The superintendent shall promulgate rules for the  
 27 implementation of this subsection.

28 (4) Except as otherwise provided in this subsection **and**  
 29 **subject to section 31b**, the first 6 days or the equivalent number

1 of hours for which pupil instruction is not provided because of  
2 conditions not within the control of school authorities, such as  
3 severe storms, fires, epidemics, utility power unavailability,  
4 water or sewer failure, or health conditions as defined by the  
5 city, county, or state health authorities, are counted as hours and  
6 days of pupil instruction. With the approval of the superintendent  
7 of public instruction, the department shall count as hours and days  
8 of pupil instruction for a fiscal year not more than 3 additional  
9 days or the equivalent number of additional hours for which pupil  
10 instruction is not provided in a district due to unusual and  
11 extenuating occurrences resulting from conditions not within the  
12 control of school authorities such as those conditions described in  
13 this subsection. Subsequent such hours or days are not counted as  
14 hours or days of pupil instruction.

15 (5) A district does not forfeit part of its state aid  
16 appropriation because it adopts or has in existence an alternative  
17 scheduling program for pupils in kindergarten if the program  
18 provides at least the number of hours required under subsection (3)  
19 for a full-time equated membership for a pupil in kindergarten as  
20 provided under section 6(4).

21 (6) In addition to any other penalty or forfeiture under this  
22 section, if at any time the department determines that 1 or more of  
23 the following have occurred in a district, the district forfeits in  
24 the current fiscal year beginning in the next payment to be  
25 calculated by the department a proportion of the funds due to the  
26 district under this article that is equal to the proportion below  
27 the required minimum number of hours and days of pupil instruction  
28 under subsection (3), as specified in the following:

29 (a) The district fails to operate its schools for at least the

1 required minimum number of hours and days of pupil instruction  
2 under subsection (3) in a school year, including hours and days  
3 counted under subsection (4).

4 (b) The board of the district takes formal action not to  
5 operate its schools for at least the required minimum number of  
6 hours and days of pupil instruction under subsection (3) in a  
7 school year, including hours and days counted under subsection (4).

8 (7) In providing the minimum number of hours and days of pupil  
9 instruction required under subsection (3), a district shall use the  
10 following guidelines, and a district shall maintain records to  
11 substantiate its compliance with the following guidelines:

12 (a) Except as otherwise provided in this subsection, a pupil  
13 must be scheduled for at least the required minimum number of hours  
14 of instruction, excluding study halls, or at least the sum of 90  
15 hours plus the required minimum number of hours of instruction,  
16 including up to 2 study halls.

17 (b) The time a pupil is assigned to any tutorial activity in a  
18 block schedule may be considered instructional time, unless that  
19 time is determined in an audit to be a study hall period.

20 (c) Except as otherwise provided in this subdivision, a pupil  
21 in grades 9 to 12 for whom a reduced schedule is determined to be  
22 in the individual pupil's best educational interest must be  
23 scheduled for a number of hours equal to at least 80% of the  
24 required minimum number of hours of pupil instruction to be  
25 considered a full-time equivalent pupil. A pupil in grades 9 to 12  
26 who is scheduled in a 4-block schedule may receive a reduced  
27 schedule under this subsection if the pupil is scheduled for a  
28 number of hours equal to at least 75% of the required minimum  
29 number of hours of pupil instruction to be considered a full-time

1 equivalent pupil.

2 (d) If a pupil in grades 9 to 12 who is enrolled in a  
3 cooperative education program or a special education pupil cannot  
4 receive the required minimum number of hours of pupil instruction  
5 solely because of travel time between instructional sites during  
6 the school day, that travel time, up to a maximum of 3 hours per  
7 school week, is considered to be pupil instruction time for the  
8 purpose of determining whether the pupil is receiving the required  
9 minimum number of hours of pupil instruction. However, if a  
10 district demonstrates to the satisfaction of the department that  
11 the travel time limitation under this subdivision would create  
12 undue costs or hardship to the district, the department may  
13 consider more travel time to be pupil instruction time for this  
14 purpose.

15 (e) In grades 7 through 12, instructional time that is part of  
16 a Junior Reserve Officer Training Corps (JROTC) program is  
17 considered to be pupil instruction time regardless of whether the  
18 instructor is a certificated teacher if all of the following are  
19 met:

20 (i) The instructor has met all of the requirements established  
21 by the United States Department of Defense and the applicable  
22 branch of the armed services for serving as an instructor in the  
23 Junior Reserve Officer Training Corps program.

24 (ii) The board of the district or intermediate district  
25 employing or assigning the instructor complies with the  
26 requirements of sections 1230 and 1230a of the revised school code,  
27 MCL 380.1230 and 380.1230a, with respect to the instructor to the  
28 same extent as if employing the instructor as a regular classroom  
29 teacher.

1 (8) Except as otherwise provided in subsections (11) ~~, and~~  
2 (12), ~~and (13),~~ the department shall apply the guidelines under  
3 subsection (7) in calculating the full-time equivalency of pupils.

4 (9) Upon application by the district for a particular fiscal  
5 year, the superintendent shall waive for a district the minimum  
6 number of hours and days of pupil instruction requirement of  
7 subsection (3) for a department-approved alternative education  
8 program or another innovative program approved by the department,  
9 including a 4-day school week. If a district applies for and  
10 receives a waiver under this subsection and complies with the terms  
11 of the waiver, the district is not subject to forfeiture under this  
12 section for the specific program covered by the waiver. If the  
13 district does not comply with the terms of the waiver, the amount  
14 of the forfeiture is calculated based upon a comparison of the  
15 number of hours and days of pupil instruction actually provided to  
16 the minimum number of hours and days of pupil instruction required  
17 under subsection (3). A district shall report pupils enrolled in a  
18 department-approved alternative education program under this  
19 subsection to the center in a form and manner determined by the  
20 center. All of the following apply to a waiver granted under this  
21 subsection:

22 (a) If the waiver is for a blended model of delivery, a waiver  
23 that is granted for the 2011-2012 fiscal year or a subsequent  
24 fiscal year remains in effect unless it is revoked by the  
25 superintendent.

26 (b) If the waiver is for a 100% online model of delivery and  
27 the educational program for which the waiver is granted makes  
28 educational services available to pupils for a minimum of at least  
29 1,098 hours during a school year and ensures that each pupil is on

1 track for course completion at proficiency level, a waiver that is  
2 granted for the 2011-2012 fiscal year or a subsequent fiscal year  
3 remains in effect unless it is revoked by the superintendent.

4 (c) A waiver that is not a waiver described in subdivision (a)  
5 or (b) is valid for 3 fiscal years, unless it is revoked by the  
6 superintendent, and must be renewed at the end of the 3-year period  
7 to remain in effect.

8 (10) A district may count up to 38 hours of professional  
9 development for teachers as hours of pupil instruction. All of the  
10 following apply to the counting of professional development as  
11 pupil instruction under this subsection:

12 (a) If the professional development exceeds 5 hours in a  
13 single day, that day may be counted as a day of pupil instruction.

14 (b) At least 8 hours of the professional development counted  
15 as hours of pupil instruction under this subsection must be  
16 recommended by a districtwide professional development advisory  
17 committee appointed by the district board. The advisory committee  
18 must be composed of teachers employed by the district who represent  
19 a variety of grades and subject matter specializations, including  
20 special education; nonteaching staff; parents; and administrators.  
21 The majority membership of the committee must be composed of  
22 teaching staff.

23 (c) Professional development provided online is allowable and  
24 encouraged, as long as the instruction has been approved by the  
25 district. The department shall issue a list of approved online  
26 professional development providers that must include the Michigan  
27 Virtual School.

28 (d) Professional development may only be counted as hours of  
29 pupil instruction under this subsection for the pupils of those

1 teachers scheduled to participate in the professional development.

2 (e) The professional development must meet all of the  
3 following to be counted as pupil instruction under this subsection:

4 (i) Be aligned to the school or district improvement plan for  
5 the school or district in which the professional development is  
6 being provided.

7 (ii) Be linked to 1 or more criteria in the evaluation tool  
8 developed or adopted by the district or intermediate district under  
9 section 1249 of the revised school code, MCL 380.1249.

10 (iii) Has been approved by the department as counting for state  
11 continuing education clock hours. The number of hours of  
12 professional development counted as hours of pupil instruction  
13 under this subsection may not exceed the number of state continuing  
14 education clock hours for which the professional development was  
15 approved.

16 (iv) Not more than a combined total of 10 hours of the  
17 professional development takes place before the first scheduled day  
18 of school for the school year ending in the fiscal year and after  
19 the last scheduled day of school for that school year.

20 (v) Not more than 10 hours of the professional development  
21 takes place in a single month.

22 (vi) At least 75% of teachers scheduled to participate in the  
23 professional development are in attendance.

24 (11) Subsections (3) and (8) do not apply to a school of  
25 excellence that is a cyber school, as that term is defined in  
26 section 551 of the revised school code, MCL 380.551, and is in  
27 compliance with section 553a of the revised school code, MCL  
28 380.553a.

29 (12) Subsections (3) and (8) do not apply to eligible pupils

1 enrolled in a dropout recovery program that meets the requirements  
2 of section 23a. As used in this subsection, "eligible pupil" means  
3 that term as defined in section 23a.

4 ~~(13) For the 2020-2021 school year only, the minimum number of~~  
5 ~~hours and days of pupil instruction requirement under subsection~~  
6 ~~(3) is waived for each district that, at a minimum, provides pupil~~  
7 ~~instruction for the 2020-2021 school year at school, at a different~~  
8 ~~location, in person, online, digitally, by other remote means, in a~~  
9 ~~synchronous or asynchronous format, or through any combination~~  
10 ~~therein that results in an amount of hours and days necessary to~~  
11 ~~deliver the educational or course content that would have been~~  
12 ~~delivered in 180 days and 1,098 hours in a school year in which~~  
13 ~~pandemic learning was not provided and that would have led to~~  
14 ~~course completion. As used in this subsection, "pandemic learning"~~  
15 ~~means a mode of pupil instruction provided as a result of the~~  
16 ~~COVID-19 pandemic.~~

17 **(13)** ~~(14)~~ At least every 2 years the superintendent shall  
18 review the waiver standards set forth in the pupil accounting and  
19 auditing manuals to ensure that the waiver standards and waiver  
20 process continue to be appropriate and responsive to changing  
21 trends in online learning. The superintendent shall solicit and  
22 consider input from stakeholders as part of this review.

23 Sec. 104. (1) In order to receive state aid under this  
24 article, a district shall comply with sections 1249, 1278a, 1278b,  
25 1279g, and 1280b of the revised school code, MCL 380.1249,  
26 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL  
27 388.1081 to 388.1086. Subject to subsection (2), from the state  
28 school aid fund money appropriated in section 11, there is  
29 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed

1 ~~\$31,009,400.00~~ **\$29,009,500.00** for payments on behalf of districts  
2 for costs associated with complying with those provisions of law.  
3 In addition, from the federal funds appropriated in section 11,  
4 there is allocated for ~~2020-2021~~ **2021-2022** an amount estimated at  
5 \$6,250,000.00 funded from DED-OESE, title VI, state assessment  
6 funds, and from DED-OSERS, ~~section 504 of~~ part B of the individuals  
7 with disabilities education act, ~~Public Law 94-142,~~ **20 USC 1411 to**  
8 **1419**, plus any carryover federal funds from previous year  
9 appropriations, for the purposes of complying with the every  
10 student succeeds act, Public Law 114-95.

11 (2) The results of each test administered as part of the  
12 Michigan student test of educational progress (M-STEP), including  
13 tests administered to high school students, must include an item  
14 analysis that lists all items that are counted for individual pupil  
15 scores and the percentage of pupils choosing each possible  
16 response. The department shall work with the center to identify the  
17 number of students enrolled at the time assessments are given by  
18 each district. In calculating the percentage of pupils assessed for  
19 a district's scorecard, the department shall use only the number of  
20 pupils enrolled in the district at the time the district  
21 administers the assessments and shall exclude pupils who enroll in  
22 the district after the district administers the assessments.

23 (3) The department shall distribute federal funds allocated  
24 under this section in accordance with federal law and with  
25 flexibility provisions outlined in Public Law 107-116, and in the  
26 education flexibility partnership act of 1999, Public Law 106-25.

27 ~~(4) From the funds allocated in subsection (1), there is~~  
28 ~~allocated an amount not to exceed \$1,500,000.00 to an intermediate~~  
29 ~~district described in this subsection for, except as otherwise~~

1 ~~provided in this subsection, statewide implementation of the~~  
2 ~~Michigan kindergarten entry observation tool (MKEO), utilizing the~~  
3 ~~Maryland-Ohio observational tool, also referred to as the~~  
4 ~~Kindergarten Readiness Assessment, as piloted under this subsection~~  
5 ~~in 2017-2018 and implemented in 2018-2019 and 2019-2020. The~~  
6 ~~funding in this subsection is allocated to an intermediate district~~  
7 ~~in prosperity region 9 with at least 3,000 kindergarten pupils~~  
8 ~~enrolled in its constituent districts. An intermediate district~~  
9 ~~described in this subsection is not required to carry out the~~  
10 ~~statewide implementation of the Michigan kindergarten entry~~  
11 ~~observation tool (MKEO), as described in this subsection, for the~~  
12 ~~fall of 2020. It is the intent of the legislature to account for~~  
13 ~~health, safety, and welfare concerns related to the COVID-19~~  
14 ~~pandemic by temporarily suspending the requirement for statewide~~  
15 ~~implementation of the Michigan kindergarten entry observation tool~~  
16 ~~(MKEO) under this subsection for the fall of 2020. All of the~~  
17 ~~following apply to the implementation of the kindergarten entry~~  
18 ~~observation tool under this subsection:~~

19       ~~(a) The department, in collaboration with all intermediate~~  
20 ~~districts, shall ensure that the Michigan kindergarten entry~~  
21 ~~observation tool is administered in each kindergarten classroom to~~  
22 ~~either the full census of kindergarten pupils enrolled in the~~  
23 ~~classroom or to a representative sample of not less than 35% of the~~  
24 ~~total kindergarten pupils enrolled in each classroom. If a district~~  
25 ~~elects to administer the Michigan kindergarten entry observation~~  
26 ~~tool to a random sample of pupils within each classroom, the~~  
27 ~~district's intermediate district shall select the pupils who will~~  
28 ~~receive the assessment based on the same random method. Beginning~~  
29 ~~in 2021, the observation tool must be administered within 45 days~~

1 ~~after the start of the school year.~~

2 ~~(b) The intermediate district that receives funding under this~~  
3 ~~subsection, in collaboration with all other intermediate districts,~~  
4 ~~shall implement a "train the trainer" professional development~~  
5 ~~model on the usage of the Michigan kindergarten entry observation~~  
6 ~~tool. This training model must provide training to intermediate~~  
7 ~~district staff so that they may provide similar training for staff~~  
8 ~~of their constituent districts. This training model must also~~  
9 ~~ensure that the tool produces reliable data and that there are a~~  
10 ~~sufficient number of trainers to train all kindergarten teachers~~  
11 ~~statewide.~~

12 ~~(c) By March 1, 2022, and each year thereafter, the department~~  
13 ~~and the intermediate district that receives funding under this~~  
14 ~~subsection shall report to the house and senate appropriations~~  
15 ~~subcommittees on state school aid, the house and senate fiscal~~  
16 ~~agencies, and the state budget director on the results of the~~  
17 ~~statewide implementation, including, but not limited to, an~~  
18 ~~evaluation of the demonstrated readiness of kindergarten pupils~~  
19 ~~statewide and the effectiveness of state and federal early~~  
20 ~~childhood programs that are designed for school readiness under~~  
21 ~~this state's authority, including the great start readiness program~~  
22 ~~and the great start readiness/Head Start blended program, as~~  
23 ~~referenced under section 32d. By September 1, 2022, and each year~~  
24 ~~thereafter, the department and the center shall provide a method~~  
25 ~~for districts and public school academies with kindergarten~~  
26 ~~enrollment to look up and verify their student enrollment data for~~  
27 ~~pupils who were enrolled in a publicly funded early childhood~~  
28 ~~program in the year before kindergarten, including the individual~~  
29 ~~great start readiness program, individual great start~~

1 ~~readiness/Head Start blended program, individual title I preschool~~  
2 ~~program, individual section 31a preschool program, individual early~~  
3 ~~childhood special education program, or individual developmental~~  
4 ~~kindergarten or program for young 5-year-olds in which each tested~~  
5 ~~child was enrolled. A participating district shall analyze the data~~  
6 ~~to determine whether high-performing children were enrolled in any~~  
7 ~~specific early childhood program and, if so, report that finding to~~  
8 ~~the department and to the intermediate district that receives~~  
9 ~~funding under this subsection.~~

10 ~~(d) The department shall approve the language and literacy~~  
11 ~~domain within the Kindergarten Readiness Assessment for use by~~  
12 ~~districts as an initial assessment that may be delivered to all~~  
13 ~~kindergarten pupils to assist with identifying any possible area of~~  
14 ~~concern for a pupil in English language arts.~~

15 ~~(e) As used in this subsection:~~

16 ~~(i) "Kindergarten" includes a classroom for young 5-year-olds,~~  
17 ~~commonly referred to as "young 5s" or "developmental kindergarten".~~

18 ~~(ii) "Representative sample" means a sample capable of~~  
19 ~~producing valid and reliable assessment information on all or major~~  
20 ~~subgroups of kindergarten pupils in a district.~~

21 ~~(4) (5) The department may recommend, but may not require,~~  
22 ~~districts to allow pupils to use an external keyboard with tablet~~  
23 ~~devices for online M-STEP testing, including, but not limited to,~~  
24 ~~open-ended test items such as constructed response or equation~~  
25 ~~builder items.~~

26 ~~(5) (6) Notwithstanding section 17b, the department shall make~~  
27 ~~payments on behalf of districts, intermediate districts, and other~~  
28 ~~eligible entities under this section on a schedule determined by~~  
29 ~~the department.~~

1           (6) ~~(7)~~—From the allocation in subsection (1), there is  
2 allocated an amount not to exceed ~~\$500,000.00~~ **\$100.00** for ~~2020-2021~~  
3 **2021-2022** for the operation of an online reporting tool to provide  
4 student-level assessment data in a secure environment to educators,  
5 parents, and pupils immediately after assessments are scored. The  
6 department and the center shall ensure that any data collected by  
7 the online reporting tool do not provide individually identifiable  
8 student data to the federal government.

9           ~~(8) In order to receive state aid under this article for 2020-~~  
10 ~~2021, a district shall meet both of the following requirements:~~

11           ~~(a) Within the first 9 weeks of the 2020-2021 school year, the~~  
12 ~~district shall administer 1 or more benchmark assessments provided~~  
13 ~~by a provider approved under subsection (9), benchmark assessments~~  
14 ~~described in subsection (10), or local benchmark assessments, or~~  
15 ~~any combination thereof, to all pupils in grades K to 8 to measure~~  
16 ~~proficiency in reading and mathematics.~~

17           ~~(b) In addition to the benchmark assessment or benchmark~~  
18 ~~assessments administered under subdivision (a), by not later than~~  
19 ~~the last day of the 2020-2021 school year, the district shall~~  
20 ~~administer 1 or more benchmark assessments provided by a provider~~  
21 ~~approved under subsection (9), benchmark assessments described in~~  
22 ~~subsection (10), or local benchmark assessments, or any combination~~  
23 ~~thereof, to all pupils in grades K to 8 to measure proficiency in~~  
24 ~~reading and mathematics.~~

25           ~~(9) The department shall approve at least 4 but not more than~~  
26 ~~5 providers of benchmark assessments for the purposes of subsection~~  
27 ~~(8). The department shall inform districts of all of the providers~~  
28 ~~approved under this subsection in an equitable manner. The~~  
29 ~~benchmark assessments provided for the purposes of subsection (8)~~

1 ~~by approved providers under this subsection, with the exclusion of~~  
2 ~~the benchmark assessment described in subsection (14), must meet~~  
3 ~~all of the following:~~

4 ~~(a) Be 1 of the most commonly administered benchmark~~  
5 ~~assessments in this state.~~

6 ~~(b) Be aligned to the content standards of this state.~~

7 ~~(c) Complement the state's summative assessment system.~~

8 ~~(d) Be internet delivered and include a standards-based~~  
9 ~~remote, in-person, or both remote and in-person assessment using a~~  
10 ~~computer-adaptive model to target the instructional level of each~~  
11 ~~pupil.~~

12 ~~(e) Provide information on pupil achievement with regard to~~  
13 ~~learning content required in a given year or grade span.~~

14 ~~(f) Provide immediate feedback to pupils and teachers.~~

15 ~~(g) Be nationally normed.~~

16 ~~(h) Provide multiple measures of growth and provide for~~  
17 ~~multiple testing opportunities.~~

18 ~~(10) A district may administer 1 or more of the following~~  
19 ~~benchmark assessments toward meeting the requirement under~~  
20 ~~subsection (8):~~

21 ~~(a) A benchmark assessment in reading for students in grades K~~  
22 ~~to 9 that contains progress monitoring tools and enhanced~~  
23 ~~diagnostic assessments.~~

24 ~~(b) A benchmark assessment in math for students in grades K to~~  
25 ~~8 that contains progress monitoring tools.~~

26 ~~(11) To the extent practicable, if a district administers a~~  
27 ~~benchmark assessment or benchmark assessments under this section,~~  
28 ~~the district shall administer the same benchmark assessment or~~  
29 ~~benchmark assessments provided by a provider approved under~~

1 ~~subsection (9), benchmark assessment or benchmark assessments~~  
2 ~~described in subsection (10), or local benchmark assessment or~~  
3 ~~local benchmark assessments that it administered to pupils in~~  
4 ~~previous school years, as applicable.~~

5 ~~(12) By not later than June 30, 2021, a district shall send~~  
6 ~~the aggregate district-level data from a benchmark assessment or~~  
7 ~~benchmark assessments, excluding data from a local benchmark~~  
8 ~~assessment or local benchmark assessments, administered under this~~  
9 ~~section to a regional data hub that is part of the Michigan data~~  
10 ~~hub network that shall compile the data and send it to the center.~~  
11 ~~Not later than September 1, 2021, the department and the center~~  
12 ~~shall provide a report to the governor and the senate and house~~  
13 ~~standing committees responsible for education legislation~~  
14 ~~identifying the number and percentage of pupils in this state who~~  
15 ~~are significantly behind grade level as determined by the~~  
16 ~~department and the center based on the data provided to the center~~  
17 ~~under this subsection. The benchmark assessment data under this~~  
18 ~~subsection may also be used to measure pupils' growth based on~~  
19 ~~their performance on state summative assessments to identify~~  
20 ~~districts and schools where pupil achievement has increased or~~  
21 ~~decreased. However, the benchmark assessment data under this~~  
22 ~~subsection must not be utilized for the state accountability~~  
23 ~~system. It is the intent of the legislature that the benchmark~~  
24 ~~assessment data under this subsection be primarily utilized to~~  
25 ~~determine the loss of learning, if any, resulting from the COVID-19~~  
26 ~~pandemic. After the administration of statewide assessments~~  
27 ~~resumes, the department shall also provide a report to the governor~~  
28 ~~and the senate and house standing committees responsible for~~  
29 ~~education legislation identifying the specific pupil groups whose~~

1 ~~expected trajectory toward grade-level proficiency were most~~  
2 ~~impacted by school closures that occurred pursuant to the COVID-19~~  
3 ~~pandemic.~~

4 ~~(13) If a district administers a benchmark assessment or~~  
5 ~~benchmark assessments under this section, the district shall~~  
6 ~~provide each pupil's data from the benchmark assessment or~~  
7 ~~benchmark assessments, as available, to the pupil's parent or legal~~  
8 ~~guardian within 30 days of administering the benchmark assessment~~  
9 ~~or benchmark assessments.~~

10 ~~(14) The department shall make 1 of the benchmark assessments~~  
11 ~~provided by a provider approved under subsection (9) available to~~  
12 ~~districts at no cost to the districts. The benchmark assessment~~  
13 ~~described in this subsection must meet all of the following:~~

14 ~~(a) Be aligned to the content standards of this state.~~

15 ~~(b) Complement the state's summative assessment system.~~

16 ~~(c) Be internet-delivered and include a standards-based~~  
17 ~~assessment.~~

18 ~~(d) Provide information on pupil achievement with regard to~~  
19 ~~learning content required in a given year or grade span.~~

20 ~~(e) Provide timely feedback to pupils and teachers.~~

21 ~~(f) Be nationally normed.~~

22 ~~(g) Provide information to educators about student growth and~~  
23 ~~allow for multiple testing opportunities.~~

24 ~~(15) If a local benchmark assessment or local benchmark~~  
25 ~~assessments are administered under subsection (8), the district~~  
26 ~~shall report to the department and the center, in a form and manner~~  
27 ~~prescribed by the center, the local benchmark assessment or local~~  
28 ~~benchmark assessments that were administered and how that~~  
29 ~~assessment or those assessments measure changes, including any~~

1 ~~losses, as applicable, in learning, and the district's plan for~~  
2 ~~addressing any losses in learning.~~

3 ~~(16) From the general fund money appropriated in section 11,~~  
4 ~~there is allocated for 2020-2021 an amount not to exceed~~  
5 ~~\$150,000.00 to a higher education institution or other entity that~~  
6 ~~is not a state governmental entity that has expertise in conducting~~  
7 ~~a study described in this subsection to conduct a study that, at a~~  
8 ~~minimum, accomplishes all of the following:~~

9 ~~(a) Provides for an assessment of the distance-learning~~  
10 ~~programs utilized in this state that were effective at meeting~~  
11 ~~educational goals and attainment.~~

12 ~~(b) Provides for an assessment of how the programs described~~  
13 ~~in subdivision (a) operated.~~

14 ~~(c) Provides for an assessment of the best practices~~  
15 ~~implemented by the programs described in subdivision (a) that~~  
16 ~~should be replicated by schools engaged in distance learning.~~

17 ~~(d) Notes distance learning models that were ineffective in~~  
18 ~~achieving educational goals.~~

19 ~~(7) (17) As used in this section:~~

20 ~~(a) "DED" means the United States Department of Education.~~

21 ~~(b) "DED-OESE" means the DED Office of Elementary and~~  
22 ~~Secondary Education.~~

23 ~~(c) "DED-OSERS" means the DED Office of Special Education and~~  
24 ~~Rehabilitative Services.~~

25 ~~Sec. 104c. (1) In order to receive state aid under this~~  
26 ~~article, a district shall administer the state assessments~~  
27 ~~described in this section.~~

28 ~~(2) For the purposes of this section, the department shall~~  
29 ~~develop and administer the Michigan student test of educational~~

1 progress (M-STEP) assessments in English language arts and  
2 mathematics. These assessments shall be aligned to state standards.

3 (3) For the purposes of this section, the department shall  
4 implement a summative assessment system that is proven to be valid  
5 and reliable for administration to pupils as provided under this  
6 subsection. The summative assessment system must meet all of the  
7 following requirements:

8 (a) The summative assessment system must measure student  
9 proficiency on the current state standards, must measure student  
10 growth for consecutive grade levels in which students are assessed  
11 in the same subject area in both grade levels, and must be capable  
12 of measuring individual student performance.

13 (b) The summative assessments for English language arts and  
14 mathematics must be administered to all public school pupils in  
15 grades 3 to 11, including those pupils as required by the federal  
16 individuals with disabilities education act, Public Law 108-446,  
17 and by title I of the federal every student succeeds act (ESSA),  
18 Public Law 114-95.

19 (c) The summative assessments for science must be administered  
20 to all public school pupils in at least grades 5 and 8, including  
21 those pupils as required by the federal individuals with  
22 disabilities education act, Public Law 108-446, and by title I of  
23 the federal every student succeeds act (ESSA), Public Law 114-95.

24 (d) The summative assessments for social studies must be  
25 administered to all public school pupils in at least grades 5 and  
26 8, including those pupils as required by the federal individuals  
27 with disabilities education act, Public Law 108-446, and by title I  
28 of the federal every student succeeds act (ESSA), Public Law 114-  
29 95.

1 (e) The content of the summative assessments must be aligned  
2 to state standards.

3 (f) The pool of questions for the summative assessments must  
4 be subject to a transparent review process for quality, bias, and  
5 sensitive issues involving educator review and comment. The  
6 department shall post samples from tests or retired tests featuring  
7 questions from this pool for review by the public.

8 (g) The summative assessment system must ensure that students,  
9 parents, and teachers are provided with reports that convey  
10 individual student proficiency and growth on the assessment and  
11 that convey individual student domain-level performance in each  
12 subject area, including representative questions, and individual  
13 student performance in meeting state standards.

14 (h) The summative assessment system must be capable of  
15 providing, and the department shall ensure that students, parents,  
16 teachers, administrators, and community members are provided with,  
17 reports that convey aggregate student proficiency and growth data  
18 by teacher, grade, school, and district.

19 (i) The summative assessment system must ensure the capability  
20 of reporting the available data to support educator evaluations.

21 (j) The summative assessment system must ensure that the  
22 reports provided to districts containing individual student data  
23 are available within 60 days after completion of the assessments.

24 (k) The summative assessment system must ensure that access to  
25 individually identifiable student data meets all of the following:

26 (i) Is in compliance with 20 USC 1232g, commonly referred to as  
27 the family educational rights and privacy act of 1974.

28 (ii) Except as may be provided for in an agreement with a  
29 vendor to provide assessment services, as necessary to support

1 educator evaluations pursuant to subdivision (i), or for research  
2 or program evaluation purposes, is available only to the student;  
3 to the student's parent or legal guardian; and to a school  
4 administrator or teacher, to the extent that he or she has a  
5 legitimate educational interest.

6 (l) The summative assessment system must ensure that the  
7 assessments are pilot tested before statewide implementation.

8 (m) The summative assessment system must ensure that  
9 assessments are designed so that the maximum total combined length  
10 of time that schools are required to set aside for a pupil to  
11 answer all test questions on all assessments that are part of the  
12 system for the pupil's grade level does not exceed that maximum  
13 total combined length of time for the previous statewide assessment  
14 system or 9 hours, whichever is less. This subdivision does not  
15 limit the amount of time a district may allow a pupil to complete a  
16 test.

17 (n) The total cost of executing the summative assessment  
18 system statewide each year, including, but not limited to, the cost  
19 of contracts for administration, scoring, and reporting, must not  
20 exceed an amount equal to 2 times the cost of executing the  
21 previous statewide assessment after adjustment for inflation.

22 (o) ~~Beginning with the 2017-2018 school year, the~~ **The**  
23 summative assessment system must not require more than 3 hours in  
24 duration, on average, for an individual pupil to complete the  
25 combined administration of the math and English language arts  
26 portions of the assessment for any 1 grade level.

27 (p) The summative assessments for English language arts and  
28 mathematics for pupils in grades 8 to 10 must be aligned to the  
29 college entrance test portion of the Michigan merit examination

1 required under section 104b.

2 (4) The department shall offer benchmark assessments in the  
3 fall and spring of each school year to measure English language  
4 arts and mathematics in each of grades K to 2. Full implementation  
5 must occur not later than the 2019-2020 school year. These  
6 assessments are necessary to determine a pupil's proficiency level  
7 before grade 3. ~~and must meet the requirements under section~~  
8 ~~104d(4).~~

9 (5) This section does not prohibit districts from adopting  
10 interim assessments.

11 (6) As used in this section, "English language arts" means  
12 that term as defined in section 104b.

13 **Sec. 104h. (1) From the state school aid fund money**  
14 **appropriated under section 11, there is allocated for 2021-2022 an**  
15 **amount not to exceed \$11,500,000.00 to districts to begin**  
16 **implementation of a benchmark assessment system for the 2022-2023**  
17 **school year. All of the following apply to the benchmark assessment**  
18 **system described in this subsection:**

19 (a) The system must provide for all of the following:

20 (i) That, within the first 9 weeks of the 2022-2023 school  
21 year, the district shall administer 1 or more benchmark assessments  
22 provided by a provider approved under subsection (6), benchmark  
23 assessments described in subdivision (b), or local benchmark  
24 assessments, or any combination thereof, to all pupils in grades K  
25 to 8 to measure proficiency in reading and mathematics.

26 (ii) That, in addition to the benchmark assessment or benchmark  
27 assessments administered under subparagraph (i), by not later than  
28 the last day of the 2022-2023 school year, the district shall  
29 administer 1 or more benchmark assessments provided by a provider

1 approved under subsection (6), benchmark assessments described in  
2 subdivision (b), or local benchmark assessments, or any combination  
3 thereof, to all pupils in grades K to 8 to measure proficiency in  
4 reading and mathematics.

5 (b) A district may administer 1 or more of the following  
6 benchmark assessments toward meeting the requirements under  
7 subdivision (a):

8 (i) A benchmark assessment in reading for students in grades K  
9 to 9 that contains progress monitoring tools and enhanced  
10 diagnostic assessments.

11 (ii) A benchmark assessment in math for students in grades K to  
12 8 that contains progress monitoring tools.

13 (c) The system must provide that, to the extent practicable,  
14 if a district administers a benchmark assessment or benchmark  
15 assessments under this section, the district shall administer the  
16 same benchmark assessment or benchmark assessments provided by a  
17 provider approved under subsection (6), benchmark assessment or  
18 benchmark assessments described in subdivision (b), or local  
19 benchmark assessment or local benchmark assessments that it  
20 administered to pupils in previous school years, as applicable.

21 (d) The system must provide that, if a district administers a  
22 benchmark assessment or benchmark assessments under this section,  
23 the district shall provide each pupil's data from the benchmark  
24 assessment or benchmark assessments, as available, to the pupil's  
25 parent or legal guardian within 30 days of administering the  
26 benchmark assessment or benchmark assessments.

27 (e) The system must provide that, if a local benchmark  
28 assessment or local benchmark assessments are administered under  
29 subdivision (a), the district shall report to the department and

1 the center, in a form and manner prescribed by the center, the  
2 local benchmark assessment or local benchmark assessments that were  
3 administered and how that assessment or those assessments measure  
4 changes, including any losses, as applicable, in learning, and the  
5 district's plan for addressing any losses in learning.

6 (f) The system must provide that, by not later than 30 days  
7 after a benchmark assessment or benchmark assessments are  
8 administered under subparagraph (1) (a) (ii), the district shall send  
9 benchmark assessment data from all benchmark assessments  
10 administered in the 2022-2023 school year, excluding data from a  
11 local benchmark assessment, as applicable, aggregated by grade  
12 level and demographic subgroup to the department. If available, the  
13 data described in this subdivision must include information  
14 concerning pupil growth from fall 2022 to spring 2023.

15 (2) To receive funding under this section, a district must  
16 apply for the funding in a form and manner prescribed by the  
17 department.

18 (3) The department shall pay an amount equal to \$12.50 per  
19 membership pupil in grades K to 8 in the district to each district  
20 that applies for funding under this section.

21 (4) The department shall make 1 of the benchmark assessments  
22 provided by a provider approved under subsection (6) available to  
23 districts at no cost to the districts for purposes of meeting the  
24 requirements under this section. The benchmark assessment described  
25 in this subsection must meet all of the following:

26 (a) Be aligned to the content standards of this state.

27 (b) Complement the state's summative assessment system.

28 (c) Be internet-delivered and include a standards-based  
29 assessment.

1 (d) Provide information on pupil achievement with regard to  
2 learning content required in a given year or grade span.

3 (e) Provide timely feedback to pupils and teachers.

4 (f) Be nationally normed.

5 (g) Provide information to educators about student growth and  
6 allow for multiple testing opportunities.

7 (5) By not later than June 15, 2023, the department shall  
8 submit a report to the house and senate appropriations committees,  
9 the house and senate appropriations subcommittees on school aid,  
10 and the house and senate fiscal agencies regarding the benchmark  
11 assessment data received under this section, disaggregated by grade  
12 level and demographic subgroup for each district. If information  
13 concerning pupil growth is included in the data described in this  
14 subsection, it must be incorporated in the report described in this  
15 subsection.

16 (6) The department shall approve providers of benchmark  
17 assessments for the purposes of this section. The department shall  
18 inform districts of all of the providers approved under this  
19 subsection in an equitable manner. The benchmark assessments, with  
20 the exclusion of the benchmark assessment described in subsection  
21 (4), provided by approved providers under this subsection must meet  
22 all of the following:

23 (a) Be 1 of the most commonly administered benchmark  
24 assessments in this state.

25 (b) Be aligned to the content standards of this state.

26 (c) Complement the state's summative assessment system.

27 (d) Be internet-delivered and include a standards-based  
28 remote, in-person, or both remote and in-person assessment using a  
29 computer-adaptive model to target the instructional level of each

1 pupil.

2 (e) Provide information on pupil achievement with regard to  
3 learning content required in a given year or grade span.

4 (f) Provide immediate feedback to pupils and teachers.

5 (g) Be nationally normed.

6 (h) Provide multiple measures of growth and provide for  
7 multiple testing opportunities.

8 Sec. 105. (1) In order to avoid a penalty under this section,  
9 and in order to count a nonresident pupil residing within the same  
10 intermediate district in membership without the approval of the  
11 pupil's district of residence, a district must comply with this  
12 section.

13 (2) Except as otherwise provided in this section, a district  
14 shall determine whether or not it will accept applications for  
15 enrollment by nonresident applicants residing within the same  
16 intermediate district for the next school year. If the district  
17 determines to accept applications for enrollment of a number of  
18 nonresidents, beyond those entitled to preference under this  
19 section, the district shall use the following procedures for  
20 accepting applications from and enrolling nonresidents:

21 (a) The district shall publish the grades, schools, and  
22 special programs, if any, for which enrollment may be available to,  
23 and for which applications will be accepted from, nonresident  
24 applicants residing within the same intermediate district.

25 (b) If the district has a limited number of positions  
26 available for nonresidents residing within the same intermediate  
27 district in a grade, school, or program, all of the following apply  
28 to accepting applications for and enrollment of nonresidents in  
29 that grade, school, or program:

1           (i) The district shall do all of the following not later than  
2 the second Friday in August:

3           (A) Provide notice to the general public that applications  
4 will be taken for a period of at least 15 calendar days but not  
5 more than 30 calendar days from nonresidents residing within the  
6 same intermediate district for enrollment in that grade, school, or  
7 program. The notice must identify the dates of the application  
8 period and the place and manner for submitting applications.

9           (B) During the application period under sub-subparagraph (A),  
10 accept applications from nonresidents residing within the same  
11 intermediate district for enrollment in that grade, school, or  
12 program.

13           (C) Within 15 calendar days after the end of the application  
14 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~  
15 ~~later than October 13, 2020,~~ using the procedures and preferences  
16 required under this section, determine which nonresident applicants  
17 will be allowed to enroll in that grade, school, or program, using  
18 the random draw system required under subsection ~~(14)~~ **(13)** as  
19 necessary, and notify the parent or legal guardian of each  
20 nonresident applicant of whether or not the applicant may enroll in  
21 the district. The notification to parents or legal guardians of  
22 nonresident applicants accepted for enrollment must contain  
23 notification of the date by which the applicant must enroll in the  
24 district and procedures for enrollment. The date for enrollment  
25 must be no later than the end of the first week of school. ~~or,~~  
26 ~~for 2020-2021 only, not later than October 13, 2020.~~

27           (ii) Beginning on the third Monday in August and not later than  
28 the end of the first week of school, ~~or, for 2020-2021 only, not~~  
29 ~~later than October 13, 2020,~~ if any positions become available in a

1 grade, school, or program due to accepted applicants failing to  
2 enroll or to more positions being added, the district may enroll  
3 nonresident applicants from the waiting list maintained under  
4 subsection ~~(14)~~, **(13)**, offering enrollment in the order that  
5 applicants appear on the waiting list. If there are still positions  
6 available after enrolling all applicants from the waiting list who  
7 desire to enroll, the district may not fill those positions until  
8 the second semester or trimester enrollment under subsection (3),  
9 as provided under that subsection, or until the next school year.

10 (c) For a grade, school, or program that has an unlimited  
11 number of positions available for nonresidents residing within the  
12 same intermediate district, all of the following apply to  
13 enrollment of nonresidents in that grade, school, or program:

14 (i) The district may accept applications for enrollment in that  
15 grade, school, or program, and may enroll nonresidents residing  
16 within the same intermediate district in that grade, school, or  
17 program until the end of the first week of school. ~~or, for 2020-~~  
18 ~~2021 only, the district may enroll nonresidents residing within the~~  
19 ~~same intermediate district in that grade, school, or program until~~  
20 ~~October 13, 2020 if the application was received by the end of the~~  
21 ~~first week of school.~~ The district shall provide notice to the  
22 general public of the place and manner for submitting applications  
23 and, if the district has a limited application period, the notice  
24 must include the dates of the application period. The application  
25 period shall be at least a 15-calendar-day period.

26 (ii) Not later than the end of the first week of school, ~~or,~~  
27 ~~for 2020-2021 only, not later than October 13, 2020,~~ the district  
28 shall notify the parent or legal guardian of each nonresident  
29 applicant who is accepted for enrollment that the applicant has

1 been accepted for enrollment in the grade, school, or program and  
2 of the procedures for enrollment. The date for enrollment must be  
3 no later than the end of the first week of school. ~~or, for 2020-~~  
4 ~~2021 only, not later than October 13, 2020.~~

5 (3) If a district determines during the first semester or  
6 trimester of a school year that it has positions available for  
7 enrollment of a number of nonresidents residing within the same  
8 intermediate district, beyond those entitled to preference under  
9 this section, for the second semester or trimester of the school  
10 year, the district may accept applications from and enroll  
11 nonresidents residing within the same intermediate district for the  
12 second semester or trimester using the following procedures:

13 (a) Not later than 2 weeks before the end of the first  
14 semester or trimester, the district shall publish the grades,  
15 schools, and special programs, if any, for which enrollment for the  
16 second semester or trimester may be available to, and for which  
17 applications will be accepted from, nonresident applicants residing  
18 within the same intermediate district.

19 (b) During the last 2 weeks of the first semester or  
20 trimester, the district shall accept applications from nonresidents  
21 residing within the same intermediate district for enrollment for  
22 the second semester or trimester in the available grades, schools,  
23 and programs.

24 (c) By the beginning of the second semester or trimester,  
25 using the procedures and preferences required under this section,  
26 the district shall determine which nonresident applicants will be  
27 allowed to enroll in the district for the second semester or  
28 trimester and notify the parent or legal guardian of each  
29 nonresident applicant residing within the same intermediate

1 district of whether or not the applicant may enroll in the  
2 district. The notification to parents or legal guardians of  
3 nonresident applicants accepted for enrollment must contain  
4 notification of the date by which the applicant must enroll in the  
5 district and procedures for enrollment. The date for enrollment  
6 must be no later than the end of the first week of school.

7 (4) If deadlines similar to those described in subsection (2)  
8 or (3) have been established in an intermediate district, and if  
9 those deadlines are not later than the deadlines under subsection  
10 (2) or (3), the districts within the intermediate district may use  
11 those deadlines.

12 (5) A district offering to enroll nonresident applicants  
13 residing within the same intermediate district may limit the number  
14 of nonresident pupils it accepts in a grade, school, or program, at  
15 its discretion, and may use that limit as the reason for refusal to  
16 enroll an applicant.

17 (6) A nonresident applicant residing within the same  
18 intermediate district must not be granted or refused enrollment  
19 based on intellectual, academic, artistic, or other ability,  
20 talent, or accomplishment, or lack thereof, or based on a mental or  
21 physical disability, except that a district may refuse to admit a  
22 nonresident applicant if the applicant does not meet the same  
23 criteria, other than residence, that an applicant who is a resident  
24 of the district must meet to be accepted for enrollment in a grade  
25 or a specialized, magnet, or intra-district choice school or  
26 program to which the applicant applies.

27 (7) A nonresident applicant residing within the same  
28 intermediate district must not be granted or refused enrollment  
29 based on age, except that a district may refuse to admit a

1 nonresident applicant applying for a program that is not  
2 appropriate for the age of the applicant.

3 (8) A nonresident applicant residing within the same  
4 intermediate district must not be granted or refused enrollment  
5 based upon religion, race, color, national origin, sex, height,  
6 weight, marital status, or athletic ability, or, generally, in  
7 violation of any state or federal law prohibiting discrimination.

8 (9) Subject to subsection (10), a district may refuse to  
9 enroll a nonresident applicant if any of the following are met:

10 (a) The applicant is, or has been within the preceding 2  
11 years, suspended from another school.

12 (b) The applicant, at any time before enrolling under this  
13 section, has been expelled from another school.

14 (c) The applicant, at any time before enrolling under this  
15 section, has been convicted of a felony.

16 (10) If a district has counted a pupil in membership on either  
17 the pupil membership count day or the supplemental count day, the  
18 district shall not refuse to enroll or refuse to continue to enroll  
19 that pupil for a reason specified in subsection (9). This  
20 subsection does not prohibit a district from expelling a pupil  
21 described in this subsection for disciplinary reasons.

22 (11) A district shall continue to allow a pupil who was  
23 enrolled in and attended the district under this section in the  
24 school year or semester or trimester immediately preceding the  
25 school year or semester or trimester in question to enroll in the  
26 district until the pupil graduates from high school. This  
27 subsection does not prohibit a district from expelling a pupil  
28 described in this subsection for disciplinary reasons.

29 (12) A district shall give preference for enrollment under

1 this section over all other nonresident applicants residing within  
 2 the same intermediate district to other school-age children who  
 3 reside in the same household as a pupil described in subsection  
 4 (11).

5 ~~(13) If a nonresident pupil was enrolled in and attending~~  
 6 ~~school in a district as a nonresident pupil in the 1995-96 school~~  
 7 ~~year and continues to be enrolled continuously each school year in~~  
 8 ~~that district, the district shall allow that nonresident pupil to~~  
 9 ~~continue to enroll in and attend school in the district until high~~  
 10 ~~school graduation, without requiring the nonresident pupil to apply~~  
 11 ~~for enrollment under this section. This subsection does not~~  
 12 ~~prohibit a district from expelling a pupil described in this~~  
 13 ~~subsection for disciplinary reasons.~~

14 **(13)** ~~(14)~~ If the number of qualified nonresident applicants  
 15 eligible for acceptance in a school, grade, or program does not  
 16 exceed the positions available for nonresident pupils in the  
 17 school, grade, or program, the school district shall accept for  
 18 enrollment all of the qualified nonresident applicants eligible for  
 19 acceptance. If the number of qualified nonresident applicants  
 20 residing within the same intermediate district eligible for  
 21 acceptance exceeds the positions available in a grade, school, or  
 22 program in a district for nonresident pupils, the district shall  
 23 use a random draw system, subject to the need to abide by state and  
 24 federal antidiscrimination laws and court orders and subject to  
 25 preferences allowed by this section. The district shall develop and  
 26 maintain a waiting list based on the order in which nonresident  
 27 applicants were drawn under this random draw system.

28 **(14)** ~~(15)~~ If a district, or the nonresident applicant,  
 29 requests the district in which a nonresident applicant resides to

1 supply information needed by the district for evaluating the  
2 applicant's application for enrollment or for enrolling the  
3 applicant, the district of residence shall provide that information  
4 on a timely basis.

5       **(15)** ~~(16)~~—If a district is subject to a court-ordered  
6 desegregation plan, and if the court issues an order prohibiting  
7 pupils residing in that district from enrolling in another district  
8 or prohibiting pupils residing in another district from enrolling  
9 in that district, this section is subject to the court order.

10       **(16)** ~~(17)~~—This section does not require a district to provide  
11 transportation for a nonresident pupil enrolled in the district  
12 under this section or for a resident pupil enrolled in another  
13 district under this section. However, at the time a nonresident  
14 pupil enrolls in the district, a district shall provide to the  
15 pupil's parent or legal guardian information on available  
16 transportation to and from the school in which the pupil enrolls.

17       **(17)** ~~(18)~~—A district may participate in a cooperative  
18 education program with 1 or more other districts or intermediate  
19 districts whether or not the district enrolls any nonresidents  
20 under this section.

21       **(18)** ~~(19)~~—A district that, under this section, enrolls a  
22 nonresident pupil who is eligible for special education programs  
23 and services according to statute or rule, or who is a child with  
24 disabilities, as defined under the individuals with disabilities  
25 education act, Public Law 108-446, is considered to be the resident  
26 district of the pupil for the purpose of providing the pupil with a  
27 free appropriate public education. Consistent with state and  
28 federal law, that district is responsible for developing and  
29 implementing an individualized education program annually for a

1 nonresident pupil described in this subsection.

2       (19) ~~(20)~~—If a district does not comply with this section, the  
3 district forfeits 5% of the total state school aid allocation to  
4 the district under this act.

5       (20) ~~(21)~~—Upon application by a district, the superintendent  
6 may grant a waiver for the district from a specific requirement  
7 under this section for not more than 1 year.

8       Sec. 105c. (1) In order to avoid a penalty under this section,  
9 and in order to count a nonresident pupil residing in a district  
10 located in a contiguous intermediate district in membership without  
11 the approval of the pupil's district of residence, a district must  
12 comply with this section.

13       (2) Except as otherwise provided in this section, a district  
14 shall determine whether or not it will accept applications for  
15 enrollment by nonresident applicants residing in a district located  
16 in a contiguous intermediate district for the next school year. If  
17 the district determines to accept applications for enrollment of a  
18 number of nonresidents under this section, beyond those entitled to  
19 preference under this section, the district shall use the following  
20 procedures for accepting applications from and enrolling  
21 nonresidents under this section:

22       (a) The district shall publish the grades, schools, and  
23 special programs, if any, for which enrollment may be available to,  
24 and for which applications will be accepted from, nonresident  
25 applicants residing in a district located in a contiguous  
26 intermediate district.

27       (b) If the district has a limited number of positions  
28 available for nonresidents residing in a district located in a  
29 contiguous intermediate district in a grade, school, or program,

1 all of the following apply to accepting applications for and  
2 enrollment of nonresidents under this section in that grade,  
3 school, or program:

4 (i) The district shall do all of the following not later than  
5 the second Friday in August:

6 (A) Provide notice to the general public that applications  
7 will be taken for a period of at least 15 calendar days but not  
8 more than 30 calendar days from nonresidents residing in a district  
9 located in a contiguous intermediate district for enrollment in  
10 that grade, school, or program. The notice must identify the dates  
11 of the application period and the place and manner for submitting  
12 applications.

13 (B) During the application period under sub-subparagraph (A),  
14 accept applications from nonresidents residing in a district  
15 located in a contiguous intermediate district for enrollment in  
16 that grade, school, or program.

17 (C) Within 15 calendar days after the end of the application  
18 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~  
19 ~~later than October 13, 2020,~~ using the procedures and preferences  
20 required under this section, determine which nonresident applicants  
21 will be allowed to enroll under this section in that grade, school,  
22 or program, using the random draw system required under subsection  
23 (14) as necessary, and notify the parent or legal guardian of each  
24 nonresident applicant of whether or not the applicant may enroll in  
25 the district. The notification to parents or legal guardians of  
26 nonresident applicants accepted for enrollment under this section  
27 must contain notification of the date by which the applicant must  
28 enroll in the district and procedures for enrollment. The date for  
29 enrollment must be no later than the end of the first week of

1 school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

2 (ii) Beginning on the third Monday in August and not later than  
 3 the end of the first week of school, ~~or, for 2020-2021 only, not~~  
 4 ~~later than October 13, 2020,~~ if any positions become available in a  
 5 grade, school, or program due to accepted applicants failing to  
 6 enroll or to more positions being added, the district may enroll  
 7 nonresident applicants from the waiting list maintained under  
 8 subsection (14), offering enrollment in the order that applicants  
 9 appear on the waiting list. If there are still positions available  
 10 after enrolling all applicants from the waiting list who desire to  
 11 enroll, the district may not fill those positions until the second  
 12 semester or trimester enrollment under subsection (3), as provided  
 13 under that subsection, or until the next school year.

14 (c) For a grade, school, or program that has an unlimited  
 15 number of positions available for nonresidents residing in a  
 16 district located in a contiguous intermediate district, all of the  
 17 following apply to enrollment of nonresidents in that grade,  
 18 school, or program under this section:

19 (i) The district may accept applications for enrollment in that  
 20 grade, school, or program, and may enroll nonresidents residing in  
 21 a district located in a contiguous intermediate district in that  
 22 grade, school, or program until the end of the first week of  
 23 school. ~~or, for 2020-2021 only, the district may enroll~~  
 24 ~~nonresidents residing in a district located in a contiguous~~  
 25 ~~intermediate district in that grade, school, or program until~~  
 26 ~~October 13, 2020 if the application was received by the end of the~~  
 27 ~~first week of school.~~ The district shall provide notice to the  
 28 general public of the place and manner for submitting applications  
 29 and, if the district has a limited application period, the notice

1 must include the dates of the application period. The application  
2 period must be at least a 15-calendar-day period.

3 (ii) Not later than the end of the first week of school, ~~or,~~  
4 ~~for 2020-2021 only, not later than October 13, 2020,~~ the district  
5 shall notify the parent or legal guardian of each nonresident  
6 applicant who is accepted for enrollment under this section that  
7 the applicant has been accepted for enrollment in the grade,  
8 school, or program and of the date by which the applicant must  
9 enroll in the district and the procedures for enrollment. The date  
10 for enrollment must be no later than the end of the first week of  
11 school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

12 (3) If a district determines during the first semester or  
13 trimester of a school year that it has positions available for  
14 enrollment of a number of nonresidents residing in a district  
15 located in a contiguous intermediate district, beyond those  
16 entitled to preference under this section, for the second semester  
17 or trimester of the school year, the district may accept  
18 applications from and enroll nonresidents residing in a district  
19 located in a contiguous intermediate district for the second  
20 semester or trimester using the following procedures:

21 (a) Not later than 2 weeks before the end of the first  
22 semester or trimester, the district shall publish the grades,  
23 schools, and special programs, if any, for which enrollment for the  
24 second semester or trimester may be available to, and for which  
25 applications will be accepted from, nonresident applicants residing  
26 in a district located in a contiguous intermediate district.

27 (b) During the last 2 weeks of the first semester or  
28 trimester, the district shall accept applications from nonresidents  
29 residing in a district located in a contiguous intermediate

1 district for enrollment for the second semester or trimester in the  
2 available grades, schools, and programs.

3 (c) By the beginning of the second semester or trimester,  
4 using the procedures and preferences required under this section,  
5 the district shall determine which nonresident applicants will be  
6 allowed to enroll under this section in the district for the second  
7 semester or trimester and notify the parent or legal guardian of  
8 each nonresident applicant residing in a district located in a  
9 contiguous intermediate district of whether or not the applicant  
10 may enroll in the district. The notification to parents or legal  
11 guardians of nonresident applicants accepted for enrollment must  
12 contain notification of the date by which the applicant must enroll  
13 in the district and procedures for enrollment. The date for  
14 enrollment must be no later than the end of the first week of  
15 school.

16 (4) If deadlines similar to those described in subsection (2)  
17 or (3) have been established in an intermediate district, and if  
18 those deadlines are not later than the deadlines under subsection  
19 (2) or (3), the districts within the intermediate district may use  
20 those deadlines.

21 (5) A district offering to enroll nonresident applicants  
22 residing in a district located in a contiguous intermediate  
23 district may limit the number of those nonresident pupils it  
24 accepts in a grade, school, or program, at its discretion, and may  
25 use that limit as the reason for refusal to enroll an applicant  
26 under this section.

27 (6) A nonresident applicant residing in a district located in  
28 a contiguous intermediate district must not be granted or refused  
29 enrollment based on intellectual, academic, artistic, or other

1 ability, talent, or accomplishment, or lack thereof, or based on a  
2 mental or physical disability, except that a district may refuse to  
3 admit a nonresident applicant under this section if the applicant  
4 does not meet the same criteria, other than residence, that an  
5 applicant who is a resident of the district must meet to be  
6 accepted for enrollment in a grade or a specialized, magnet, or  
7 intra-district choice school or program to which the applicant  
8 applies.

9 (7) A nonresident applicant residing in a district located in  
10 a contiguous intermediate district must not be granted or refused  
11 enrollment under this section based on age, except that a district  
12 may refuse to admit a nonresident applicant applying for a program  
13 that is not appropriate for the age of the applicant.

14 (8) A nonresident applicant residing in a district located in  
15 a contiguous intermediate district must not be granted or refused  
16 enrollment under this section based upon religion, race, color,  
17 national origin, sex, height, weight, marital status, or athletic  
18 ability, or, generally, in violation of any state or federal law  
19 prohibiting discrimination.

20 (9) Subject to subsection (10), a district may refuse to  
21 enroll a nonresident applicant under this section if any of the  
22 following are met:

23 (a) The applicant is, or has been within the preceding 2  
24 years, suspended from another school.

25 (b) The applicant, at any time before enrolling under this  
26 section, has been expelled from another school.

27 (c) The applicant, at any time before enrolling under this  
28 section, has been convicted of a felony.

29 (10) If a district has counted a pupil in membership on either

1 the pupil membership count day or the supplemental count day, the  
2 district shall not refuse to enroll or refuse to continue to enroll  
3 that pupil for a reason specified in subsection (9). This  
4 subsection does not prohibit a district from expelling a pupil  
5 described in this subsection for disciplinary reasons.

6 (11) A district shall continue to allow a pupil who was  
7 enrolled in and attended the district under this section in the  
8 school year or semester or trimester immediately preceding the  
9 school year or semester or trimester in question to enroll in the  
10 district until the pupil graduates from high school. This  
11 subsection does not prohibit a district from expelling a pupil  
12 described in this subsection for disciplinary reasons.

13 (12) A district shall give preference for enrollment under  
14 this section over all other nonresident applicants residing in a  
15 district located in a contiguous intermediate district to other  
16 school-age children who reside in the same household as a pupil  
17 described in subsection (11).

18 (13) If a nonresident pupil was enrolled in and attending  
19 school in a district as a nonresident pupil in the 1995-96 school  
20 year and continues to be enrolled continuously each school year in  
21 that district, the district shall allow that nonresident pupil to  
22 continue to enroll in and attend school in the district until high  
23 school graduation, without requiring the nonresident pupil to apply  
24 for enrollment under this section. This subsection does not  
25 prohibit a district from expelling a pupil described in this  
26 subsection for disciplinary reasons.

27 (14) If the number of qualified nonresident applicants  
28 eligible for acceptance under this section in a school, grade, or  
29 program does not exceed the positions available for nonresident

1 pupils under this section in the school, grade, or program, the  
2 school district shall accept for enrollment all of the qualified  
3 nonresident applicants eligible for acceptance. If the number of  
4 qualified nonresident applicants residing in a district located in  
5 a contiguous intermediate district eligible for acceptance under  
6 this section exceeds the positions available in a grade, school, or  
7 program in a district for nonresident pupils, the district shall  
8 use a random draw system, subject to the need to abide by state and  
9 federal antidiscrimination laws and court orders and subject to  
10 preferences allowed by this section. The district shall develop and  
11 maintain a waiting list based on the order in which nonresident  
12 applicants were drawn under this random draw system.

13 (15) If a district, or the nonresident applicant, requests the  
14 district in which a nonresident applicant resides to supply  
15 information needed by the district for evaluating the applicant's  
16 application for enrollment or for enrolling the applicant under  
17 this section, the district of residence shall provide that  
18 information on a timely basis.

19 (16) If a district is subject to a court-ordered desegregation  
20 plan, and if the court issues an order prohibiting pupils residing  
21 in that district from enrolling in another district or prohibiting  
22 pupils residing in another district from enrolling in that  
23 district, this section is subject to the court order.

24 (17) This section does not require a district to provide  
25 transportation for a nonresident pupil enrolled in the district  
26 under this section or for a resident pupil enrolled in another  
27 district under this section. However, at the time a nonresident  
28 pupil enrolls in the district, a district shall provide to the  
29 pupil's parent or legal guardian information on available

1 transportation to and from the school in which the pupil enrolls.

2 (18) A district may participate in a cooperative education  
3 program with 1 or more other districts or intermediate districts  
4 whether or not the district enrolls any nonresidents pursuant to  
5 this section.

6 (19) In order for a district or intermediate district to  
7 enroll under this section a nonresident pupil who resides in a  
8 district located in a contiguous intermediate district and who is  
9 eligible for special education programs and services according to  
10 statute or rule, or who is a child with ~~disabilities~~, **a disability**,  
11 as **that term is** defined under the individuals with disabilities  
12 education act, Public Law 108-446, the enrolling district shall  
13 have a written agreement with the resident district of the pupil  
14 for the purpose of providing the pupil with a free appropriate  
15 public education. The written agreement must include, but is not  
16 limited to, an agreement on the responsibility for the payment of  
17 the added costs of special education programs and services for the  
18 pupil. The written agreement must address how the agreement must be  
19 amended in the event of significant changes in the costs or level  
20 of special education programs or services required by the pupil.

21 (20) If a district does not comply with this section, the  
22 district forfeits 5% of the total state school aid allocation to  
23 the district under this act.

24 (21) Upon application by a district, the superintendent may  
25 grant a waiver for the district from a specific requirement under  
26 this section for not more than 1 year.

27 (22) This section is repealed if the final decision of a court  
28 of competent jurisdiction holds that any portion of this section is  
29 unconstitutional, ineffective, invalid, or in violation of federal

1 law.

2 (23) As used in this section, "district located in a  
3 contiguous intermediate district" means a district located in an  
4 intermediate district that is contiguous to the intermediate  
5 district in which a pupil's district of residence is located.

6 Sec. 107. (1) From the appropriation in section 11, there is  
7 allocated an amount not to exceed \$30,000,000.00 for ~~2020-2021~~  
8 **2021-2022** for adult education programs authorized under this  
9 section. Except as otherwise provided under subsections (14) and  
10 (15), funds allocated under this section are restricted for adult  
11 education programs as authorized under this section only. A  
12 recipient of funds under this section shall not use those funds for  
13 any other purpose.

14 (2) To be eligible for funding under this section, an eligible  
15 adult education provider shall employ certificated teachers and  
16 qualified administrative staff and shall offer continuing education  
17 opportunities for teachers to allow them to maintain certification.

18 (3) To be eligible to be a participant funded under this  
19 section, an individual must be enrolled in an adult basic education  
20 program, an adult secondary education program, an adult English as  
21 a second language program, a high school equivalency test  
22 preparation program, or a high school completion program, that  
23 meets the requirements of this section, and for which instruction  
24 is provided, and the individual must be at least 18 years of age **by**  
25 **July 1 of the program year** and the individual's graduating class  
26 must have graduated.

27 (4) By April 1 of each fiscal year, the intermediate districts  
28 within a prosperity region or subregion shall determine which  
29 intermediate district will serve as the prosperity region's or

1 subregion's fiscal agent for the next fiscal year and shall notify  
2 the department in a form and manner determined by the department.  
3 The department shall approve or disapprove of the prosperity  
4 region's or subregion's selected fiscal agent. From the funds  
5 allocated under subsection (1), an amount as determined under this  
6 subsection is allocated to each intermediate district serving as a  
7 fiscal agent for adult education programs in each of the prosperity  
8 regions or subregions identified by the department. An intermediate  
9 district shall not use more than 5% of the funds allocated under  
10 this subsection for administration costs for serving as the fiscal  
11 agent. The allocation provided to each intermediate district  
12 serving as a fiscal agent is an amount equal to what the  
13 intermediate district received in 2018-2019.

14 (5) To be an eligible fiscal agent, an intermediate district  
15 must agree to do the following in a form and manner determined by  
16 the department:

17 (a) Distribute funds to adult education programs in a  
18 prosperity region or subregion as described in this section.

19 (b) Collaborate with the career and educational advisory  
20 council, which is an advisory council of the workforce development  
21 boards located in the prosperity region or subregion, or its  
22 successor, to develop a regional strategy that aligns adult  
23 education programs and services into an efficient and effective  
24 delivery system for adult education learners, with special  
25 consideration for providing contextualized learning and career  
26 pathways and addressing barriers to education and employment.

27 (c) Collaborate with the career and educational advisory  
28 council, which is an advisory council of the workforce development  
29 boards located in the prosperity region or subregion, or its

1 successor, to create a local process and criteria that will  
2 identify eligible adult education providers to receive funds  
3 allocated under this section based on location, demand for  
4 services, past performance, quality indicators as identified by the  
5 department, and cost to provide instructional services. The fiscal  
6 agent shall determine all local processes, criteria, and provider  
7 determinations. However, the local processes, criteria, and  
8 provider services must be approved by the department before funds  
9 may be distributed to the fiscal agent.

10 (d) Provide oversight to its adult education providers  
11 throughout the program year to ensure compliance with the  
12 requirements of this section.

13 (e) Report adult education program and participant data and  
14 information as prescribed by the department.

15 (6) An adult basic education program, an adult secondary  
16 education program, or an adult English as a second language program  
17 operated on a year-round or school year basis may be funded under  
18 this section, subject to all of the following:

19 (a) The program enrolls adults who are determined by a  
20 department-approved assessment, in a form and manner prescribed by  
21 the department, to be below twelfth grade level in reading or  
22 mathematics, or both, or to lack basic English proficiency.

23 (b) The program tests individuals for eligibility under  
24 subdivision (a) before enrollment and upon completion of the  
25 program in compliance with the state-approved assessment policy.

26 (c) A participant in an adult basic education program is  
27 eligible for reimbursement until 1 of the following occurs:

28 (i) The participant's reading and mathematics proficiency are  
29 assessed at or above the ninth grade level.

1           (ii) The participant fails to show progress on 2 successive  
2 assessments after having completed at least 450 hours of  
3 instruction.

4           (d) A participant in an adult secondary education program is  
5 eligible for reimbursement until 1 of the following occurs:

6           (i) The participant's reading and mathematics proficiency are  
7 assessed above the twelfth grade level.

8           (ii) The participant fails to show progress on 2 successive  
9 assessments after having at least 450 hours of instruction.

10          (e) A funding recipient enrolling a participant in an English  
11 as a second language program is eligible for funding according to  
12 subsection (9) until the participant meets 1 of the following:

13          (i) The participant is assessed as having attained basic  
14 English proficiency as determined by a department-approved  
15 assessment.

16          (ii) The participant fails to show progress on 2 successive  
17 department-approved assessments after having completed at least 450  
18 hours of instruction. The department shall provide information to a  
19 funding recipient regarding appropriate assessment instruments for  
20 this program.

21          (7) A high school equivalency test preparation program  
22 operated on a year-round or school year basis may be funded under  
23 this section, subject to all of the following:

24          (a) The program enrolls adults who do not have a high school  
25 diploma or a high school equivalency certificate.

26          (b) The program administers a pre-test approved by the  
27 department before enrolling an individual to determine the  
28 individual's literacy levels, administers a high school equivalency  
29 practice test to determine the individual's potential for success

1 on the high school equivalency test, and administers a post-test  
2 upon completion of the program in compliance with the state-  
3 approved assessment policy.

4 (c) A funding recipient receives funding according to  
5 subsection (9) for a participant, and a participant may be enrolled  
6 in the program until 1 of the following occurs:

7 (i) The participant achieves a high school equivalency  
8 certificate.

9 (ii) The participant fails to show progress on 2 successive  
10 department-approved assessments used to determine readiness to take  
11 a high school equivalency test after having completed at least 450  
12 hours of instruction.

13 (8) A high school completion program operated on a year-round  
14 or school year basis may be funded under this section, subject to  
15 all of the following:

16 (a) The program enrolls adults who do not have a high school  
17 diploma.

18 (b) The program tests participants described in subdivision  
19 (a) before enrollment and upon completion of the program in  
20 compliance with the state-approved assessment policy.

21 (c) A funding recipient receives funding according to  
22 subsection (9) for a participant in a course offered under this  
23 subsection until 1 of the following occurs:

24 (i) The participant passes the course and earns a high school  
25 diploma.

26 (ii) The participant fails to earn credit in 2 successive  
27 semesters or terms in which the participant is enrolled after  
28 having completed at least 900 hours of instruction.

29 (9) The department shall make payments to a funding recipient

1 under this section in accordance with all of the following:

2 (a) Statewide allocation criteria, including 3-year average  
3 enrollments, census data, and local needs.

4 (b) Participant completion of the adult basic education  
5 objectives by achieving an educational gain as determined by the  
6 national reporting system levels; for achieving basic English  
7 proficiency, as determined by the department; for achieving a high  
8 school equivalency certificate or passage of 1 or more individual  
9 high school equivalency tests; for attainment of a high school  
10 diploma or passage of a course required for a participant to attain  
11 a high school diploma; for enrollment in a postsecondary  
12 institution, or for entry into or retention of employment, as  
13 applicable.

14 (c) Participant completion of core indicators as identified in  
15 the innovation and opportunity act.

16 (d) Allowable expenditures.

17 (10) A person who is not eligible to be a participant funded  
18 under this section may receive adult education services upon the  
19 payment of tuition. In addition, a person who is not eligible to be  
20 served in a program under this section due to the program  
21 limitations specified in subsection (6), (7), or (8) may continue  
22 to receive adult education services in that program upon the  
23 payment of tuition. The local or intermediate district conducting  
24 the program shall determine the tuition amount.

25 (11) An individual who is an inmate in a state correctional  
26 facility is not counted as a participant under this section.

27 (12) A funding recipient shall not commingle money received  
28 under this section or from another source for adult education  
29 purposes with any other funds and shall establish a separate ledger

1 account for funds received under this section. This subsection does  
2 not prohibit a district from using general funds of the district to  
3 support an adult education or community education program.

4 (13) A funding recipient receiving funds under this section  
5 may establish a sliding scale of tuition rates based upon a  
6 participant's family income. A funding recipient may charge a  
7 participant tuition to receive adult education services under this  
8 section from that sliding scale of tuition rates on a uniform  
9 basis. The amount of tuition charged per participant must not  
10 exceed the actual operating cost per participant minus any funds  
11 received under this section per participant. A funding recipient  
12 may not charge a participant tuition under this section if the  
13 participant's income is at or below 200% of the federal poverty  
14 guidelines published by the United States Department of Health and  
15 Human Services.

16 (14) In order to receive funds under this section, a funding  
17 recipient shall furnish to the department, in a form and manner  
18 determined by the department, all information needed to administer  
19 this program and meet federal reporting requirements; shall allow  
20 the department or the department's designee to review all records  
21 related to the program for which it receives funds; and shall  
22 reimburse the state for all disallowances found in the review, as  
23 determined by the department. In addition, a funding recipient  
24 shall agree to pay to a career and technical education program  
25 under section 61a the amount of funding received under this section  
26 in the proportion of career and technical education coursework used  
27 to satisfy adult basic education programming, as billed to the  
28 funding recipient by programs operating under section 61a. In  
29 addition to the funding allocated under subsection (1), there is

1 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed  
2 \$500,000.00 to reimburse funding recipients for administrative and  
3 instructional expenses associated with commingling programming  
4 under this section and section 61a. The department shall make  
5 payments under this subsection to each funding recipient in the  
6 same proportion as funding calculated and allocated under  
7 subsection (4).

8 (15) From the amount appropriated in subsection (1), an amount  
9 not to exceed \$4,000,000.00 is allocated for ~~2020-2021~~**2021-2022**  
10 for grants to adult education or state-approved career technical  
11 center programs that connect adult education participants with  
12 employers as provided under this subsection. The department shall  
13 determine the amount of the grant to each program under this  
14 subsection, not to exceed \$350,000.00. To be eligible for funding  
15 under this subsection, a program must provide a collaboration  
16 linking adult education programs within the county, the area career  
17 technical center, and local employers. To receive funding under  
18 this subsection, an eligible program must satisfy all of the  
19 following:

20 (a) Connect adult education participants directly with  
21 employers by linking adult education, career and technical skills,  
22 and workforce development.

23 (b) Require adult education staff to work with Michigan Works!  
24 agency to identify a cohort of participants who are most prepared  
25 to successfully enter the workforce. Except as otherwise provided  
26 under this subdivision, participants identified under this  
27 subsection must be dually enrolled in adult education programming  
28 and in at least 1 state-approved technical course at the area  
29 career and technical center. A program that links participants

1 identified under this subsection with adult education programming  
2 and commercial driver license courses does not need to enroll the  
3 participants in at least 1 state-approved technical course at the  
4 area career and technical center to be considered an eligible  
5 program under this subsection.

6 (c) Employ an individual staffed as an adult education  
7 navigator who will serve as a caseworker for each participant  
8 identified under subdivision (b). The navigator shall work with  
9 adult education staff and potential employers to design an  
10 educational program best suited to the personal and employment  
11 needs of the participant and shall work with human service agencies  
12 or other entities to address any barrier in the way of participant  
13 access.

14 (16) Each program funded under subsection (15) will receive  
15 funding for 3 years. After 3 years of operations and funding, a  
16 program must reapply for funding.

17 (17) Not later than December 1 of each year, a program funded  
18 under subsection (15) shall provide a report to the senate and  
19 house appropriations subcommittees on school aid, to the senate and  
20 house fiscal agencies, and to the state budget director identifying  
21 the number of participants, graduation rates, and a measure of  
22 transition to employment.

23 ~~(18) It is the intent of the legislature to implement a~~  
24 ~~phased-in cap on the percentage of adult education participants~~  
25 ~~under subsection (15) that may already have a high school diploma~~  
26 ~~or a high school equivalency certificate at the time of~~  
27 ~~enrollment.~~**A program receiving funding under subsection (15) must**  
28 **give program enrollment priority for 75% of participants to those**  
29 **who are concurrently enrolled and actively working toward obtaining**

1 **a high school diploma or a high school equivalency certificate.**

2 (19) The department shall approve at least 3 high school  
3 equivalency tests and determine whether a high school equivalency  
4 certificate meets the requisite standards for high school  
5 equivalency in this state.

6 (20) As used in this section:

7 (a) "Career and educational advisory council" means an  
8 advisory council to the local workforce development boards located  
9 in a prosperity region consisting of educational, employer, labor,  
10 and parent representatives.

11 (b) "Career pathway" means a combination of rigorous and high-  
12 quality education, training, and other services that comply with  
13 all of the following:

14 (i) Aligns with the skill needs of industries in the economy of  
15 this state or in the regional economy involved.

16 (ii) Prepares an individual to be successful in any of a full  
17 range of secondary or postsecondary education options, including  
18 apprenticeships registered under the act of August 16, 1937,  
19 ~~(commonly known as the "national apprenticeship act")~~, **commonly**  
20 **referred to as the national apprenticeship act**, 29 USC 50 et seq.

21 (iii) Includes counseling to support an individual in achieving  
22 the individual's education and career goals.

23 (iv) Includes, as appropriate, education offered concurrently  
24 with and in the same context as workforce preparation activities  
25 and training for a specific occupation or occupational cluster.

26 (v) Organizes education, training, and other services to meet  
27 the particular needs of an individual in a manner that accelerates  
28 the educational and career advancement of the individual to the  
29 extent practicable.

1           (vi) Enables an individual to attain a secondary school diploma  
2 or its recognized equivalent, and at least 1 recognized  
3 postsecondary credential.

4           (vii) Helps an individual enter or advance within a specific  
5 occupation or occupational cluster.

6           (c) "Department" means the department of labor and economic  
7 opportunity.

8           (d) "Eligible adult education provider" means a district,  
9 intermediate district, a consortium of districts, a consortium of  
10 intermediate districts, or a consortium of districts and  
11 intermediate districts that is identified as part of the local  
12 process described in subsection (5)(c) and approved by the  
13 department.

14           Sec. 147. (1) The allocation for ~~2020-2021~~**2021-2022** for the  
15 public school employees' retirement system pursuant to the public  
16 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301  
17 to 38.1437, is made using the individual projected benefit entry  
18 age normal cost method of valuation and risk assumptions adopted by  
19 the public school employees retirement board and the department of  
20 technology, management, and budget.

21           (2) The annual level percentage of payroll contribution rates  
22 for the ~~2020-2021~~**2021-2022** fiscal year, as determined by the  
23 retirement system, are estimated as follows:

24           (a) ~~For~~**Except as otherwise provided in this subdivision, for**  
25 public school employees who first worked for a public school  
26 reporting unit before July 1, 2010 and who are enrolled in the  
27 health premium subsidy, the annual level percentage of payroll  
28 contribution rate is estimated at ~~42.72%~~**43.28%** with ~~28.21%~~**28.23%**  
29 paid directly by the employer. **For 2021-2022, if the retirement**

1 system determines that the annual level percentage of payroll  
 2 contribution rate estimated in the immediately preceding sentence,  
 3 as impacted by the enactment of House Bill No. 4261 of the 101st  
 4 Legislature, if House Bill No. 4261 of the 101st Legislature is  
 5 enacted into law, needs to be adjusted, the annual level percentage  
 6 of payroll contribution rate estimations under this subdivision are  
 7 the estimations determined by the retirement system. If the  
 8 retirement system makes a determination as described in the  
 9 immediately preceding sentence, it shall issue its estimations  
 10 publicly and describe the need for the adjustment described in the  
 11 immediately preceding sentence.

12 (b) ~~For~~ Except as otherwise provided in this subdivision, for  
 13 public school employees who first worked for a public school  
 14 reporting unit on or after July 1, 2010 and who are enrolled in the  
 15 health premium subsidy, the annual level percentage of payroll  
 16 contribution rate is estimated at ~~39.76%~~ 40.36% with ~~25.25%~~ 25.31%  
 17 paid directly by the employer. For 2021-2022, if the retirement  
 18 system determines that the annual level percentage of payroll  
 19 contribution rate estimated in the immediately preceding sentence,  
 20 as impacted by the enactment of House Bill No. 4261 of the 101st  
 21 Legislature, if House Bill No. 4261 of the 101st Legislature is  
 22 enacted into law, needs to be adjusted, the annual level percentage  
 23 of payroll contribution rate estimations under this subdivision are  
 24 the estimations determined by the retirement system. If the  
 25 retirement system makes a determination as described in the  
 26 immediately preceding sentence, it shall issue its estimations  
 27 publicly and describe the need for the adjustment described in the  
 28 immediately preceding sentence.

29 (c) ~~For~~ Except as otherwise provided in this subdivision, for

1 public school employees who first worked for a public school  
 2 reporting unit on or after July 1, 2010 and who participate in the  
 3 personal healthcare fund, the annual level percentage of payroll  
 4 contribution rate is estimated at ~~38.90%~~**39.50%** with ~~24.39%~~**24.45%**  
 5 paid directly by the employer. **For 2021-2022, if the retirement**  
 6 **system determines that the annual level percentage of payroll**  
 7 **contribution rate estimated in the immediately preceding sentence,**  
 8 **as impacted by the enactment of House Bill No. 4261 of the 101st**  
 9 **Legislature, if House Bill No. 4261 of the 101st Legislature is**  
 10 **enacted into law, needs to be adjusted, the annual level percentage**  
 11 **of payroll contribution rate estimations under this subdivision are**  
 12 **the estimations determined by the retirement system. If the**  
 13 **retirement system makes a determination as described in the**  
 14 **immediately preceding sentence, it shall issue its estimations**  
 15 **publicly and describe the need for the adjustment described in the**  
 16 **immediately preceding sentence.**

17 (d) ~~For~~**Except as otherwise provided in this subdivision, for**  
 18 public school employees who first worked for a public school  
 19 reporting unit on or after September 4, 2012, who elect defined  
 20 contribution, and who participate in the personal healthcare fund,  
 21 the annual level percentage of payroll contribution rate is  
 22 estimated at ~~35.47%~~**36.01%** with 20.96% paid directly by the  
 23 employer. **For 2021-2022, if the retirement system determines that**  
 24 **the annual level percentage of payroll contribution rate estimated**  
 25 **in the immediately preceding sentence, as impacted by the enactment**  
 26 **of House Bill No. 4261 of the 101st Legislature, if House Bill No.**  
 27 **4261 of the 101st Legislature is enacted into law, needs to be**  
 28 **adjusted, the annual level percentage of payroll contribution rate**  
 29 **estimations under this subdivision are the estimations determined**

1 by the retirement system. If the retirement system makes a  
 2 determination as described in the immediately preceding sentence,  
 3 it shall issue its estimations publicly and describe the need for  
 4 the adjustment described in the immediately preceding sentence.

5 (e) ~~For~~ Except as otherwise provided in this subdivision, for  
 6 public school employees who first worked for a public school  
 7 reporting unit before July 1, 2010, who elect defined contribution,  
 8 and who are enrolled in the health premium subsidy, the annual  
 9 level percentage of payroll contribution rate is estimated at  
 10 ~~36.33%~~ **36.87%** with 21.82% paid directly by the employer. **For 2021-**  
 11 **2022, if the retirement system determines that the annual level**  
 12 **percentage of payroll contribution rate estimated in the**  
 13 **immediately preceding sentence, as impacted by the enactment of**  
 14 **House Bill No. 4261 of the 101st Legislature, if House Bill No.**  
 15 **4261 of the 101st Legislature is enacted into law, needs to be**  
 16 **adjusted, the annual level percentage of payroll contribution rate**  
 17 **estimations under this subdivision are the estimations determined**  
 18 **by the retirement system. If the retirement system makes a**  
 19 **determination as described in the immediately preceding sentence,**  
 20 **it shall issue its estimations publicly and describe the need for**  
 21 **the adjustment described in the immediately preceding sentence.**

22 (f) ~~For~~ Except as otherwise provided in this subdivision, for  
 23 public school employees who first worked for a public school  
 24 reporting unit before July 1, 2010, who elect defined contribution,  
 25 and who participate in the personal healthcare fund, the annual  
 26 level percentage of payroll contribution rate is estimated at  
 27 ~~35.47%~~ **36.01%** with 20.96% paid directly by the employer. **For 2021-**  
 28 **2022, if the retirement system determines that the annual level**  
 29 **percentage of payroll contribution rate estimated in the**

1 immediately preceding sentence, as impacted by the enactment of  
 2 House Bill No. 4261 of the 101st Legislature, if House Bill No.  
 3 4261 of the 101st Legislature is enacted into law, needs to be  
 4 adjusted, the annual level percentage of payroll contribution rate  
 5 estimations under this subdivision are the estimations determined  
 6 by the retirement system. If the retirement system makes a  
 7 determination as described in the immediately preceding sentence,  
 8 it shall issue its estimations publicly and describe the need for  
 9 the adjustment described in the immediately preceding sentence.

10 (g) ~~For~~ Except as otherwise provided in this subdivision, for  
 11 public school employees who first worked for a public school  
 12 reporting unit before July 1, 2010 and who participate in the  
 13 personal healthcare fund, the annual level percentage of payroll  
 14 contribution rate is estimated at ~~41.86%~~ 42.42% with ~~27.35%~~ 27.37%  
 15 paid directly by the employer. For 2021-2022, if the retirement  
 16 system determines that the annual level percentage of payroll  
 17 contribution rate estimated in the immediately preceding sentence,  
 18 as impacted by the enactment of House Bill No. 4261 of the 101st  
 19 Legislature, if House Bill No. 4261 of the 101st Legislature is  
 20 enacted into law, needs to be adjusted, the annual level percentage  
 21 of payroll contribution rate estimations under this subdivision are  
 22 the estimations determined by the retirement system. If the  
 23 retirement system makes a determination as described in the  
 24 immediately preceding sentence, it shall issue its estimations  
 25 publicly and describe the need for the adjustment described in the  
 26 immediately preceding sentence.

27 (h) ~~For~~ Except as otherwise provided in this subdivision, for  
 28 public school employees who first worked for a public school  
 29 reporting unit after January 31, 2018 and who elect to become

1 members of the MPSERS plan, the annual level percentage of payroll  
 2 contribution rate is estimated at ~~41.67%~~**42.21%** with 27.16% paid  
 3 directly by the employer. **For 2021-2022, if the retirement system**  
 4 **determines that the annual level percentage of payroll contribution**  
 5 **rate estimated in the immediately preceding sentence, as impacted**  
 6 **by the enactment of House Bill No. 4261 of the 101st Legislature,**  
 7 **if House Bill No. 4261 of the 101st Legislature is enacted into**  
 8 **law, needs to be adjusted, the annual level percentage of payroll**  
 9 **contribution rate estimations under this subdivision are the**  
 10 **estimations determined by the retirement system. If the retirement**  
 11 **system makes a determination as described in the immediately**  
 12 **preceding sentence, it shall issue its estimations publicly and**  
 13 **describe the need for the adjustment described in the immediately**  
 14 **preceding sentence.**

15 (3) In addition to the employer payments described in  
 16 subsection (2), the employer shall pay the applicable contributions  
 17 to the Tier 2 plan, as determined by the public school employees  
 18 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

19 (4) The contribution rates in subsection (2) reflect an  
 20 amortization period of ~~18-17~~ years for ~~2020-2021~~**2021-2022**. The  
 21 public school employees' retirement system board shall notify each  
 22 district and intermediate district by February 28 of each fiscal  
 23 year of the estimated contribution rate for the next fiscal year.

24 Sec. 147a. (1) From the ~~appropriation~~**state school aid fund**  
 25 **money appropriated** in section 11, there is allocated for ~~2020-2021~~  
 26 **2021-2022** an amount not to exceed \$100,000,000.00 for payments to  
 27 participating districts. A participating district that receives  
 28 money under this subsection shall use that money solely for the  
 29 purpose of offsetting a portion of the retirement contributions

1 owed by the district for the fiscal year in which it is received.  
2 The amount allocated to each participating district under this  
3 subsection is based on each participating district's percentage of  
4 the total statewide payroll for all participating districts for the  
5 immediately preceding fiscal year. As used in this subsection,  
6 "participating district" means a district that is a reporting unit  
7 of the Michigan public school employees' retirement system under  
8 the public school employees retirement act of 1979, 1980 PA 300,  
9 MCL 38.1301 to 38.1437, and that reports employees to the Michigan  
10 public school employees' retirement system for the applicable  
11 fiscal year.

12 (2) In addition to the allocation under subsection (1), from  
13 the state school aid fund money appropriated under section 11,  
14 there is allocated an amount not to exceed ~~\$155,136,000.00~~  
15 **\$172,400,000.00** for ~~2020-2021-2021-2022~~ for payments to  
16 participating districts and intermediate districts and from the  
17 general fund money appropriated under section 11, there is  
18 allocated an amount not to exceed ~~\$70,000.00~~ **\$60,000.00** for ~~2020-~~  
19 ~~2021-2021-2022~~ for payments to participating district libraries.  
20 The amount allocated to each participating entity under this  
21 subsection is based on each participating entity's reported  
22 quarterly payroll for members that became tier 1 prior to February  
23 1, 2018 for the current fiscal year. A participating entity that  
24 receives money under this subsection shall use that money solely  
25 for the purpose of offsetting a portion of the normal cost  
26 contribution rate. As used in this subsection:

27 (a) "District library" means a district library established  
28 under the district library establishment act, 1989 PA 24, MCL  
29 397.171 to 397.196.

1 (b) "Participating entity" means a district, intermediate  
 2 district, or district library that is a reporting unit of the  
 3 Michigan public school employees' retirement system under the  
 4 public school employees retirement act of 1979, 1980 PA 300, MCL  
 5 38.1301 to 38.1437, and that reports employees to the Michigan  
 6 public school employees' retirement system for the applicable  
 7 fiscal year.

8 Sec. 147c. From the state school aid fund money appropriated  
 9 in section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount  
 10 not to exceed ~~\$1,219,300,000.00~~ **\$1,553,500,000.00** for payments to  
 11 districts and intermediate districts that are participating  
 12 entities of the Michigan public school employees' retirement  
 13 system. In addition, from the general fund money appropriated in  
 14 section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount  
 15 not to exceed \$500,000.00 for payments to district libraries that  
 16 are participating entities of the Michigan public school employees'  
 17 retirement system. All of the following apply to funding under this  
 18 subsection:

19 (a) ~~For 2020-2021,~~ **Except as otherwise provided in this**  
 20 **subdivision, for 2021-2022,** the amounts allocated under this  
 21 subsection are estimated to provide an average MPSERS rate cap per  
 22 pupil amount of ~~\$827.00~~ **\$911.00** and are estimated to provide a rate  
 23 cap per pupil for districts ranging between \$5.00 and  
 24 ~~\$4,000.00~~ **\$4,200.00**. **For 2021-2022, if the retirement system**  
 25 **determines the average MPSERS rate cap per pupil amount and rate**  
 26 **cap per pupil for districts estimated in the immediately preceding**  
 27 **sentence, as impacted by the enactment of House Bill No. 4261 of**  
 28 **the 101st Legislature, if House Bill No. 4261 of the 101st**  
 29 **Legislature is enacted into law, need to be adjusted, the estimated**

1 average MPSERS rate cap per pupil amount and estimated rate cap per  
2 pupil for districts under this subdivision are the estimations  
3 determined by the retirement system. If the retirement system makes  
4 a determination as described in the immediately preceding sentence,  
5 it shall issue its estimations publicly and describe the need for  
6 the adjustment described in the immediately preceding sentence.

7 (b) Payments made under this subsection are equal to the  
8 difference between the unfunded actuarial accrued liability  
9 contribution rate as calculated pursuant to section 41 of the  
10 public school employees retirement act of 1979, 1980 PA 300, MCL  
11 38.1341, as calculated without taking into account the maximum  
12 employer rate of 20.96% included in section 41 of the public school  
13 employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the  
14 maximum employer rate of 20.96% included in section 41 of the  
15 public school employees retirement act of 1979, 1980 PA 300, MCL  
16 38.1341.

17 (c) The amount allocated to each participating entity under  
18 this subsection is based on each participating entity's proportion  
19 of the total covered payroll for the immediately preceding fiscal  
20 year for the same type of participating entities. A participating  
21 entity that receives funds under this subsection shall use the  
22 funds solely for the purpose of retirement contributions as  
23 specified in subdivision (d).

24 (d) Each participating entity receiving funds under this  
25 subsection shall forward an amount equal to the amount allocated  
26 under subdivision (c) to the retirement system in a form, manner,  
27 and time frame determined by the retirement system.

28 (e) Funds allocated under this subsection should be considered  
29 when comparing a district's growth in total state aid funding from

1 1 fiscal year to the next.

2 (f) Not later than December 20, 2020, ~~2021~~, the department  
3 shall publish and post on its website an estimated MPSERS rate cap  
4 per pupil for each district.

5 (g) The office of retirement services shall first apply funds  
6 allocated under this subsection to pension contributions and, if  
7 any funds remain after that payment, shall apply those remaining  
8 funds to other postemployment benefit contributions.

9 (h) As used in this section:

10 (i) "District library" means a district library established  
11 under the district library establishment act, 1989 PA 24, MCL  
12 397.171 to 397.196.

13 (ii) "MPSERS rate cap per pupil" means an amount equal to the  
14 quotient of the district's payment under this subsection divided by  
15 the district's pupils in membership.

16 (iii) "Participating entity" means a district, intermediate  
17 district, or district library that is a reporting unit of the  
18 Michigan public school employees' retirement system under the  
19 public school employees retirement act of 1979, 1980 PA 300, MCL  
20 38.1301 to 38.1437, and that reports employees to the Michigan  
21 public school employees' retirement system for the applicable  
22 fiscal year.

23 (iv) "Retirement board" means the board that administers the  
24 retirement system under the public school employees retirement act  
25 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

26 (v) "Retirement system" means the Michigan public school  
27 employees' retirement system under the public school employees  
28 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

29 **Sec. 147d. (1) From the state school aid fund money**

1 appropriated under section 11, there is allocated for 2021-2022 an  
2 amount not to exceed \$250,000,000.00 to the retirement system.

3 (2) The funds allocated under this section are not considered  
4 part of the unfunded actuarial accrued liability contribution sum  
5 due and payable under section 41 of the public school employees  
6 retirement act of 1979, 1980 PA 300, MCL 38.1341.

7 (3) As used in this section, "retirement system" means the  
8 Michigan public school employees' retirement system under the  
9 public school employees retirement act of 1979, 1980 PA 300, MCL  
10 38.1301 to 38.1437.

11 Sec. 147e. (1) From the appropriation in section 11, there is  
12 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed  
13 ~~\$51,400,000.00~~ **\$65,300,000.00** from the state school aid fund for  
14 payments to participating entities.

15 (2) The payment to each participating entity under this  
16 section is the sum of the amounts under this subsection as follows:

17 (a) An amount equal to the contributions made by a  
18 participating entity for the additional contribution made to a  
19 qualified participant's Tier 2 account in an amount equal to the  
20 contribution made by the qualified participant not to exceed 3% of  
21 the qualified participant's compensation as provided for under  
22 section 131(6) of the public school employees retirement act of  
23 1979, 1980 PA 300, MCL 38.1431.

24 (b) Beginning October 1, 2017, an amount equal to the  
25 contributions made by a participating entity for a qualified  
26 participant who is only a Tier 2 qualified participant under  
27 section 81d of the public school employees retirement act of 1979,  
28 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning  
29 February 1, 2018, not to exceed 1%, of the qualified participant's

1 compensation.

2 (c) An amount equal to the increase in employer normal cost  
3 contributions under section 41b(2) of the public school employees  
4 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member  
5 that was hired after February 1, 2018 and chose to participate in  
6 Tier 1, compared to the employer normal cost contribution for a  
7 member under section 41b(1) of the public school employees  
8 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

9 (3) As used in this section:

10 (a) "Member" means that term as defined under the public  
11 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301  
12 to 38.1437.

13 (b) "Participating entity" means a district, intermediate  
14 district, or community college that is a reporting unit of the  
15 Michigan public school employees' retirement system under the  
16 public school employees retirement act of 1979, 1980 PA 300, MCL  
17 38.1301 to 38.1437, and that reports employees to the Michigan  
18 public school employees' retirement system for the applicable  
19 fiscal year.

20 (c) "Qualified participant" means that term as defined under  
21 section 124 of the public school employees retirement act of 1979,  
22 1980 PA 300, MCL 38.1424.

23 Sec. 152a. (1) As required by the court in the consolidated  
24 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from  
25 the state school aid fund money appropriated in section 11, there  
26 is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed  
27 \$38,000,500.00 to be used solely for the purpose of paying  
28 necessary costs related to the state-mandated collection,  
29 maintenance, and reporting of data to this state.

1           (2) From the allocation in subsection (1), the department  
 2 shall make payments to districts and intermediate districts in an  
 3 equal amount per-pupil based on the total number of pupils in  
 4 membership in each district and intermediate district. The  
 5 department shall not make any adjustment to these payments after  
 6 the final installment payment under section 17b is made.

7           Sec. 152b. (1) From the general fund money appropriated under  
 8 section 11, there is allocated ~~an amount not to exceed~~  
 9 ~~\$2,500,000.00 for 2017-2018 and an amount not to exceed \$250,000.00~~  
 10 **\$2,500,000.00** for ~~2018-2019~~ **2021-2022** to reimburse actual costs  
 11 incurred by nonpublic schools in complying with a health, safety,  
 12 or welfare requirement mandated by a law or administrative rule of  
 13 this state.

14           (2) By January 1 of each applicable fiscal year, the  
 15 department shall publish a form for reporting actual costs incurred  
 16 by a nonpublic school in complying with a health, safety, or  
 17 welfare requirement mandated under state law containing each  
 18 health, safety, or welfare requirement mandated by a law or  
 19 administrative rule of this state applicable to a nonpublic school  
 20 and with a reference to each relevant provision of law or  
 21 administrative rule for the requirement. The form shall be posted  
 22 on the department's website in electronic form.

23           (3) By June 30 of each applicable fiscal year, a nonpublic  
 24 school seeking reimbursement for actual costs incurred in complying  
 25 with a health, safety, or welfare requirement under a law or  
 26 administrative rule of this state during each applicable school  
 27 year shall submit a completed form described in subsection (2) to  
 28 the department. This section does not require a nonpublic school to  
 29 submit a form described in subsection (2). A nonpublic school is

1 not eligible for reimbursement under this section if the nonpublic  
2 school does not submit the form described in subsection (2) in a  
3 timely manner.

4 (4) By August 15 of each applicable fiscal year, the  
5 department shall distribute funds to each nonpublic school that  
6 submits a completed form described under subsection (2) in a timely  
7 manner. The superintendent shall determine the amount of funds to  
8 be paid to each nonpublic school in an amount that does not exceed  
9 the nonpublic school's actual costs in complying with a health,  
10 safety, or welfare requirement under a law or administrative rule  
11 of this state. The superintendent shall calculate a nonpublic  
12 school's actual cost in accordance with this section.

13 (5) If the funds allocated under this section are insufficient  
14 to fully fund payments as otherwise calculated under this section,  
15 the department shall distribute funds under this section on a  
16 prorated or other equitable basis as determined by the  
17 superintendent.

18 (6) The department may review the records of a nonpublic  
19 school submitting a form described in subsection (2) only for the  
20 limited purpose of verifying the nonpublic school's compliance with  
21 this section. If a nonpublic school does not allow the department  
22 to review records under this subsection, the nonpublic school is  
23 not eligible for reimbursement under this section.

24 (7) The funds appropriated under this section are for purposes  
25 related to education, are considered to be incidental to the  
26 operation of a nonpublic school, are noninstructional in character,  
27 and are intended for the public purpose of ensuring the health,  
28 safety, and welfare of the children in nonpublic schools and to  
29 reimburse nonpublic schools for costs described in this section.

1           (8) Funds allocated under this section are not intended to aid  
2 or maintain any nonpublic school, support the attendance of any  
3 student at a nonpublic school, employ any person at a nonpublic  
4 school, support the attendance of any student at any location where  
5 instruction is offered to a nonpublic school student, or support  
6 the employment of any person at any location where instruction is  
7 offered to a nonpublic school student.

8           (9) For purposes of this section, "actual cost" means the  
9 hourly wage for the employee or employees performing a task or  
10 tasks required to comply with a health, safety, or welfare  
11 requirement under a law or administrative rule of this state  
12 identified by the department under subsection (2) and is to be  
13 calculated in accordance with the form published by the department  
14 under subsection (2), which shall include a detailed itemization of  
15 costs. The nonpublic school shall not charge more than the hourly  
16 wage of its lowest-paid employee capable of performing a specific  
17 task regardless of whether that individual is available and  
18 regardless of who actually performs a specific task. Labor costs  
19 under this subsection shall be estimated and charged in increments  
20 of 15 minutes or more, with all partial time increments rounded  
21 down. When calculating costs under subsection (4), fee components  
22 shall be itemized in a manner that expresses both the hourly wage  
23 and the number of hours charged. The nonpublic school may not  
24 charge any applicable labor charge amount to cover or partially  
25 cover the cost of health or fringe benefits. A nonpublic school  
26 shall not charge any overtime wages in the calculation of labor  
27 costs.

28           (10) For the purposes of this section, the actual cost  
29 incurred by a nonpublic school for taking daily student attendance

1 shall be considered an actual cost in complying with a health,  
2 safety, or welfare requirement under a law or administrative rule  
3 of this state. Training fees, inspection fees, and criminal  
4 background check fees are considered actual costs in complying with  
5 a health, safety, or welfare requirement under a law or  
6 administrative rule of this state.

7 (11) The funds allocated under this section for 2017-2018 are  
8 a work project appropriation, and any unexpended funds for 2017-  
9 2018 are carried forward into 2018-2019. The purpose of the work  
10 project is to continue to reimburse nonpublic schools for actual  
11 costs incurred in complying with a health, safety, or welfare  
12 requirement mandated by a law or administrative rule of this state.  
13 The estimated completion date of the work project is September 30,  
14 ~~2020-2022~~.

15 (12) The funds allocated under this section for 2018-2019 are  
16 a work project appropriation, and any unexpended funds for 2018-  
17 2019 are carried forward into 2019-2020. The purpose of the work  
18 project is to continue to reimburse nonpublic schools for actual  
19 costs incurred in complying with a health, safety, or welfare  
20 requirement mandated by a law or administrative rule of this state.  
21 The estimated completion date of the work project is September 30,  
22 ~~2020-2022~~.

23 (13) **The funds allocated under this section for 2021-2022 are**  
24 **a work project appropriation, and any unexpended funds for 2021-**  
25 **2022 are carried forward into 2022-2023. The purpose of the work**  
26 **project is to continue to reimburse nonpublic schools for actual**  
27 **costs incurred in complying with a health, safety, or welfare**  
28 **requirement mandated by a law or administrative rule of this state.**  
29 **The estimated completion date of the work project is September 30,**

1 2023.

2 (14) The department shall reimburse nonpublic schools for  
 3 actual costs incurred in complying with health, safety, or welfare  
 4 requirements under a law or administrative rule of this state from  
 5 2018-2019 through 2020-2021 using work project funds or, if those  
 6 funds are insufficient to fund reimbursements under this  
 7 subsection, from the allocation under subsection (1).

8 Enacting section 1. In accordance with section 30 of article  
 9 IX of the state constitution of 1963, total state spending on  
 10 school aid under article I of the state school aid act of 1979,  
 11 1979 PA 94, MCL 388.1601 to 388.1772, as amended by this amendatory  
 12 act, from state sources for fiscal year 2021-2022 is estimated at  
 13 \$14,553,635,100.00 and state appropriations for school aid to be  
 14 paid to local units of government for fiscal year 2021-2022 are  
 15 estimated at \$14,032,657,500.00.

16 Enacting section 2. Sections 11d, 11p, 11q, 21h, 23c, 25j,  
 17 29a, 31k, 35d, 35e, 35f, 61c, 67, 91a, 91c, 94b, 98d, 99i, 99t,  
 18 99u, 99w, 99x, 99z, 104d, 104f, 104g, and 105b of the state school  
 19 aid act of 1979, 1979 PA 94, MCL 388.1611d, 388.1611p, 388.1611q,  
 20 388.1621h, 388.1623c, 388.1625j, 388.1629a, 388.1631k, 388.1635d,  
 21 388.1635e, 388.1635f, 388.1661c, 388.1667, 388.1691a, 388.1691c,  
 22 388.1694b, 388.1698d, 388.1699i, 388.1699t, 388.1699u, 388.1699w,  
 23 388.1699x, 388.1699z, 388.1704d, 388.1704f, 388.1704g, and  
 24 388.1705b, are repealed effective October 1, 2021.