

HOUSE BILL No. 4395

March 25, 2015, Introduced by Rep. Glenn and referred to the Committee on Education.

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 6, 21f, 22f, 32d, 98, 101, 107, and 163 (MCL
388.1606, 388.1621f, 388.1622f, 388.1632d, 388.1698, 388.1701,
388.1707, and 388.1763), as amended by 2014 PA 196.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) "Center program" means a program operated by a
2 district or by an intermediate district for special education
3 pupils from several districts in programs for pupils with autism
4 spectrum disorder, pupils with severe cognitive impairment, pupils
5 with moderate cognitive impairment, pupils with severe multiple
6 impairments, pupils with hearing impairment, pupils with visual
7 impairment, and pupils with physical impairment or other health
8 impairment. Programs for pupils with emotional impairment housed in

1 buildings that do not serve regular education pupils also qualify.
2 Unless otherwise approved by the department, a center program
3 either shall serve all constituent districts within an intermediate
4 district or shall serve several districts with less than 50% of the
5 pupils residing in the operating district. In addition, special
6 education center program pupils placed part-time in noncenter
7 programs to comply with the least restrictive environment
8 provisions of section 612 of part B of the individuals with
9 disabilities education act, 20 USC 1412, may be considered center
10 program pupils for pupil accounting purposes for the time scheduled
11 in either a center program or a noncenter program.

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

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

21 (4) "Membership", except as otherwise provided in this
22 article, means for a district, a public school academy, the
23 education achievement system, or an intermediate district the sum
24 of the product of .90 times the number of full-time equated pupils
25 in grades K to 12 actually enrolled and in regular daily attendance
26 on the pupil membership count day for the current school year, plus
27 the product of .10 times the final audited count from the

1 supplemental count day for the current school year. A district's,
2 public school academy's, or intermediate district's membership
3 shall be adjusted as provided under section 25e for pupils who
4 enroll in the district, public school academy, or intermediate
5 district after the pupil membership count day. All pupil counts
6 used in this subsection are as determined by the department and
7 calculated by adding the number of pupils registered for attendance
8 plus pupils received by transfer and minus pupils lost as defined
9 by rules promulgated by the superintendent, and as corrected by a
10 subsequent department audit. For the purposes of this section and
11 section 6a, for a school of excellence that is a cyber school, as
12 defined in section 551 of the revised school code, MCL 380.551, and
13 is in compliance with section 553a of the revised school code, MCL
14 380.553a, a pupil's participation in the cyber school's educational
15 program is considered regular daily attendance; for the education
16 achievement system, a pupil's participation in an online
17 educational program of the education achievement system or of an
18 achievement school is considered regular daily attendance; and for
19 a district a pupil's participation in an online course as defined
20 in section 21f is considered regular daily attendance. The amount
21 of the foundation allowance for a pupil in membership is determined
22 under section 20. In making the calculation of membership, all of
23 the following, as applicable, apply to determining the membership
24 of a district, a public school academy, the education achievement
25 system, or an intermediate district:

26 (a) Except as otherwise provided in this subsection, and
27 pursuant to subsection (6), a pupil shall be counted in membership

1 in the pupil's educating district or districts. An individual pupil
2 shall not be counted for more than a total of 1.0 full-time equated
3 membership.

4 (b) If a pupil is educated in a district other than the
5 pupil's district of residence, if the pupil is not being educated
6 as part of a cooperative education program, if the pupil's district
7 of residence does not give the educating district its approval to
8 count the pupil in membership in the educating district, and if the
9 pupil is not covered by an exception specified in subsection (6) to
10 the requirement that the educating district must have the approval
11 of the pupil's district of residence to count the pupil in
12 membership, the pupil shall not be counted in membership in any
13 district.

14 (c) A special education pupil educated by the intermediate
15 district shall be counted in membership in the intermediate
16 district.

17 (d) A pupil placed by a court or state agency in an on-grounds
18 program of a juvenile detention facility, a child caring
19 institution, or a mental health institution, or a pupil funded
20 under section 53a, shall be counted in membership in the district
21 or intermediate district approved by the department to operate the
22 program.

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

26 (f) A pupil enrolled in a career and technical education
27 program supported by a millage levied over an area larger than a

1 single district or in an area vocational-technical education
2 program established pursuant to section 690 of the revised school
3 code, MCL 380.690, shall be counted only in the pupil's district of
4 residence.

5 (g) A pupil enrolled in a public school academy shall be
6 counted in membership in the public school academy.

7 (h) A pupil enrolled in an achievement school shall be counted
8 in membership in the education achievement system.

9 (i) For a new district or public school academy beginning its
10 operation after December 31, 1994, or for the education achievement
11 system or an achievement school, membership for the first 2 full or
12 partial fiscal years of operation shall be determined as follows:

13 (i) If operations begin before the pupil membership count day
14 for the fiscal year, membership is the average number of full-time
15 equated pupils in grades K to 12 actually enrolled and in regular
16 daily attendance on the pupil membership count day for the current
17 school year and on the supplemental count day for the current
18 school year, as determined by the department and calculated by
19 adding the number of pupils registered for attendance on the pupil
20 membership count day plus pupils received by transfer and minus
21 pupils lost as defined by rules promulgated by the superintendent,
22 and as corrected by a subsequent department audit, plus the final
23 audited count from the supplemental count day for the current
24 school year, and dividing that sum by 2.

25 (ii) If operations begin after the pupil membership count day
26 for the fiscal year and not later than the supplemental count day
27 for the fiscal year, membership is the final audited count of the

1 number of full-time equated pupils in grades K to 12 actually
2 enrolled and in regular daily attendance on the supplemental count
3 day for the current school year.

4 (j) If a district is the authorizing body for a public school
5 academy, then, in the first school year in which pupils are counted
6 in membership on the pupil membership count day in the public
7 school academy, the determination of the district's membership
8 shall exclude from the district's pupil count for the immediately
9 preceding supplemental count day any pupils who are counted in the
10 public school academy on that first pupil membership count day who
11 were also counted in the district on the immediately preceding
12 supplemental count day.

13 (k) In a district, a public school academy, the education
14 achievement system, or an intermediate district operating an
15 extended school year program approved by the superintendent, a
16 pupil enrolled, but not scheduled to be in regular daily attendance
17 on a pupil membership count day, shall be counted.

18 (l) To be counted in membership, a pupil shall meet the minimum
19 age requirement to be eligible to attend school under section 1147
20 of the revised school code, MCL 380.1147, or shall be enrolled
21 under subsection (3) of that section, and shall be less than 20
22 years of age on September 1 of the school year except as follows:

23 (i) A special education pupil who is enrolled and receiving
24 instruction in a special education program or service approved by
25 the department, who does not have a high school diploma, and who is
26 less than 26 years of age as of September 1 of the current school
27 year shall be counted in membership.

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

3 (A) Is enrolled in a public school academy or an alternative
4 education high school diploma program, that is primarily focused on
5 educating homeless pupils.

6 (B) Had dropped out of school for more than 1 year and has re-
7 entered school.

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

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

17 (m) An individual who has obtained a high school diploma shall
18 not be counted in membership. An individual who has obtained a
19 general educational development (G.E.D.) certificate shall not be
20 counted in membership unless the individual is a ~~pupil~~**STUDENT** with
21 a disability as defined in R 340.1702 of the Michigan
22 administrative code. An individual participating in a job training
23 program funded under former section 107a or a jobs program funded
24 under former section 107b, administered by the Michigan strategic
25 fund, or participating in any successor of either of those 2
26 programs, shall not be counted in membership.

27 (n) If a pupil counted in membership in a public school

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

14 (i) If the public school academy or the education achievement
15 system provides instruction for at least 1/2 of the class hours
16 ~~specified in subdivision (q),~~ **REQUIRED UNDER SECTION 101**, the
17 public school academy or the education achievement system shall
18 receive as its prorated share of the full-time equated membership
19 for each of those pupils an amount equal to 1 times the product of
20 the hours of instruction the public school academy or the education
21 achievement system provides divided by the number of hours
22 ~~specified in subdivision (q)~~ **REQUIRED UNDER SECTION 101** for full-
23 time equivalency, and the remainder of the full-time membership for
24 each of those pupils shall be allocated to the district or
25 intermediate district providing the remainder of the hours of
26 instruction.

27 (ii) If the public school academy or the education achievement

1 system provides instruction for less than 1/2 of the class hours
2 ~~specified in subdivision (q),~~ **REQUIRED UNDER SECTION 101,** the
3 district or intermediate district providing the remainder of the
4 hours of instruction shall receive as its prorated share of the
5 full-time equated membership for each of those pupils an amount
6 equal to 1 times the product of the hours of instruction the
7 district or intermediate district provides divided by the number of
8 hours ~~specified in subdivision (q)~~ **REQUIRED UNDER SECTION 101** for
9 full-time equivalency, and the remainder of the full-time
10 membership for each of those pupils shall be allocated to the
11 public school academy or the education achievement system.

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

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

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

27 (r) Beginning in 2012-2013, full-time equated memberships for

1 pupils in kindergarten shall be determined by dividing the number
2 of instructional hours scheduled and provided per year per
3 kindergarten pupil by the same number used for determining full-
4 time equated memberships for pupils in grades 1 to 12. However, to
5 the extent allowable under federal law, for a district or public
6 school academy that provides evidence satisfactory to the
7 department that it used federal title I money in the 2 immediately
8 preceding school fiscal years to fund full-time kindergarten, full-
9 time equated memberships for pupils in kindergarten shall be
10 determined by dividing the number of class hours scheduled and
11 provided per year per kindergarten pupil by a number equal to $1/2$
12 the number used for determining full-time equated memberships for
13 pupils in grades 1 to 12. The change in the counting of full-time
14 equated memberships for pupils in kindergarten that took effect for
15 2012-2013 is not a mandate.

16 (s) For a district, a public school academy, or the education
17 achievement system that has pupils enrolled in a grade level that
18 was not offered by the district, the public school academy, or the
19 education achievement system in the immediately preceding school
20 year, the number of pupils enrolled in that grade level to be
21 counted in membership is the average of the number of those pupils
22 enrolled and in regular daily attendance on the pupil membership
23 count day and the supplemental count day of the current school
24 year, as determined by the department. Membership shall be
25 calculated by adding the number of pupils registered for attendance
26 in that grade level on the pupil membership count day plus pupils
27 received by transfer and minus pupils lost as defined by rules

1 promulgated by the superintendent, and as corrected by 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 (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 ~~specified in subdivision (g)~~ **REQUIRED UNDER SECTION 101** for
21 full-time equivalency. For the purposes of this subdivision, a
22 district shall be considered to be providing appropriate
23 instruction if all of the following are met:

24 (i) The district provides at least 2 nonconsecutive hours of
25 instruction per week to the pupil at the pupil's home or otherwise
26 apart from the general school population under the supervision of a
27 certificated teacher **OR TEACHER ENGAGED TO TEACH UNDER SECTION**

1 1233B OF THE REVISED SCHOOL CODE, MCL 380.1233B.

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

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

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

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

17 (w) For a public school academy that has been in operation for
18 at least 2 years and that suspended operations for at least 1
19 semester and is resuming operations, membership is the sum of the
20 product of .90 times the number of full-time equated pupils in
21 grades K to 12 actually enrolled and in regular daily attendance on
22 the first pupil membership count day or supplemental count day,
23 whichever is first, occurring after operations resume, plus the
24 product of .10 times the final audited count from the most recent
25 pupil membership count day or supplemental count day that occurred
26 before suspending operations, as determined by the superintendent.

27 (x) If a district's membership for a particular fiscal year,

1 as otherwise calculated under this subsection, would be less than
2 1,550 pupils and the district has 4.5 or fewer pupils per square
3 mile, as determined by the department, and if the district does not
4 receive funding under section 22d(2), the district's membership
5 shall be considered to be the membership figure calculated under
6 this subdivision. If a district educates and counts in its
7 membership pupils in grades 9 to 12 who reside in a contiguous
8 district that does not operate grades 9 to 12 and if 1 or both of
9 the affected districts request the department to use the
10 determination allowed under this sentence, the department shall
11 include the square mileage of both districts in determining the
12 number of pupils per square mile for each of the districts for the
13 purposes of this subdivision. The membership figure calculated
14 under this subdivision is the greater of the following:

15 (i) The average of the district's membership for the 3-fiscal-
16 year period ending with that fiscal year, calculated by adding the
17 district's actual membership for each of those 3 fiscal years, as
18 otherwise calculated under this subsection, and dividing the sum of
19 those 3 membership figures by 3.

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

22 (y) Full-time equated memberships for special education pupils
23 who are not enrolled in kindergarten but are enrolled in a
24 classroom program under R 340.1754 of the Michigan administrative
25 code shall be determined by dividing the number of class hours
26 scheduled and provided per year by 450. Full-time equated
27 memberships for special education pupils who are not enrolled in

1 kindergarten but are receiving early childhood special education
2 services under R 340.1755 or R 340.1862 of the Michigan
3 administrative code shall be determined by dividing the number of
4 hours of service scheduled and provided per year per pupil by 180.

5 (z) A pupil of a district that begins its school year after
6 Labor ~~day~~-**DAY** who is enrolled in an intermediate district program
7 that begins before Labor ~~day~~-**DAY** shall not be considered to be less
8 than a full-time pupil solely due to instructional time scheduled
9 but not attended by the pupil before Labor ~~day~~-**DAY**.

10 (aa) For the first year in which a pupil is counted in
11 membership on the pupil membership count day in a middle college
12 program, the membership is the average of the full-time equated
13 membership on the pupil membership count day and on the
14 supplemental count day for the current school year, as determined
15 by the department.

16 (bb) A district, a public school academy, or the education
17 achievement system that educates a pupil who attends a United
18 States Olympic education center may count the pupil in membership
19 regardless of whether or not the pupil is a resident of this state.

20 (cc) A pupil enrolled in a district other than the pupil's
21 district of residence pursuant to section 1148(2) of the revised
22 school code, MCL 380.1148, shall be counted in the educating
23 district or the education achievement system.

24 (dd) For a pupil enrolled in a dropout recovery program that
25 meets the requirements of section 23a, the pupil shall be counted
26 as 1/12 of a full-time equated membership for each month that the
27 district operating the program reports that the pupil was enrolled

1 in the program and was in full attendance. However, if the special
2 membership counting provisions under this subdivision and the
3 operation of the other membership counting provisions under this
4 subsection result in a pupil being counted as more than 1.0 FTE in
5 a fiscal year, the payment made for the pupil under sections 22a
6 and 22b shall not be based on more than 1.0 FTE for that pupil, and
7 any portion of an FTE for that pupil that exceeds 1.0 shall instead
8 be paid under section 25f. The district operating the program shall
9 report to the center the number of pupils who were enrolled in the
10 program and were in full attendance for a month not later than the
11 tenth day of the next month. A district shall not report a pupil as
12 being in full attendance for a month unless both of the following
13 are met:

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

17 (ii) The pupil meets the district's definition under section
18 23a of satisfactory monthly progress for that month or, if the
19 pupil does not meet that definition of satisfactory monthly
20 progress for that month, the pupil did meet that definition of
21 satisfactory monthly progress in the immediately preceding month
22 and appropriate interventions are implemented within 10 school days
23 after it is determined that the pupil does not meet that definition
24 of satisfactory monthly progress.

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

27 (6) "Pupil" means a person in membership in a public school. A

1 district must have the approval of the pupil's district of
2 residence to count the pupil in membership, except approval by the
3 pupil's district of residence is not required for any of the
4 following:

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

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

9 (c) A pupil enrolled in a public school academy or the
10 education achievement system.

11 (d) A pupil enrolled in a district other than the pupil's
12 district of residence under an intermediate district schools of
13 choice pilot program as described in section 91a or former section
14 91 if the intermediate district and its constituent districts have
15 been exempted from section 105.

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

19 (f) A pupil who has made an official written complaint or
20 whose parent or legal guardian has made an official written
21 complaint to law enforcement officials and to school officials of
22 the pupil's district of residence that the pupil has been the
23 victim of a criminal sexual assault or other serious assault, if
24 the official complaint either indicates that the assault occurred
25 at school or that the assault was committed by 1 or more other
26 pupils enrolled in the school the pupil would otherwise attend in
27 the district of residence or by an employee of the district of

1 residence. A person who intentionally makes a false report of a
2 crime to law enforcement officials for the purposes of this
3 subdivision is subject to section 411a of the Michigan penal code,
4 1931 PA 328, MCL 750.411a, which provides criminal penalties for
5 that conduct. As used in this subdivision:

6 (i) "At school" means in a classroom, elsewhere on school
7 premises, on a school bus or other school-related vehicle, or at a
8 school-sponsored activity or event whether or not it is held on
9 school premises.

10 (ii) "Serious assault" means an act that constitutes a felony
11 violation of chapter XI of the Michigan penal code, 1931 PA 328,
12 MCL 750.81 to 750.90h, or that constitutes an assault and
13 infliction of serious or aggravated injury under section 81a of the
14 Michigan penal code, 1931 PA 328, MCL 750.81a.

15 (g) A pupil whose district of residence changed after the
16 pupil membership count day and before the supplemental count day
17 and who continues to be enrolled on the supplemental count day as a
18 nonresident in the district in which he or she was enrolled as a
19 resident on the pupil membership count day of the same school year.

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

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

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

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

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

3 (i) A pupil enrolled in the Michigan ~~virtual school~~, **VIRTUAL**
4 **SCHOOL**, for the pupil's enrollment in the Michigan ~~virtual~~
5 ~~school~~. **VIRTUAL SCHOOL**.

6 (j) A pupil who is the child of a person who works at the
7 district or who is the child of a person who worked at the district
8 as of the time the pupil first enrolled in the district but who no
9 longer works at the district due to a workforce reduction. As used
10 in this subdivision, "child" includes an adopted child, stepchild,
11 or legal ward.

12 (k) An expelled pupil who has been denied reinstatement by the
13 expelling district and is reinstated by another school board under
14 section 1311 or 1311a of the revised school code, MCL 380.1311 and
15 380.1311a.

16 (l) A pupil enrolled in a district other than the pupil's
17 district of residence in a middle college program if the pupil's
18 district of residence and the enrolling district are both
19 constituent districts of the same intermediate district.

20 (m) A pupil enrolled in a district other than the pupil's
21 district of residence who attends a United States Olympic ~~education~~
22 ~~center~~. **EDUCATION CENTER**.

23 (n) A pupil enrolled in a district other than the pupil's
24 district of residence pursuant to section 1148(2) of the revised
25 school code, MCL 380.1148.

26 (o) A pupil who enrolls in a district other than the pupil's
27 district of residence as a result of the pupil's school not making

1 adequate yearly progress under the no child left behind act of
2 2001, Public Law 107-110.

3 (p) An online learning pupil enrolled in a district other than
4 the pupil's district of residence as an eligible pupil under
5 section 21f.

6 However, if a district educates pupils who reside in another
7 district and if the primary instructional site for those pupils is
8 established by the educating district after 2009-2010 and is
9 located within the boundaries of that other district, the educating
10 district must have the approval of that other district to count
11 those pupils in membership.

12 (7) "Pupil membership count day" of a district or intermediate
13 district means:

14 (a) Except as provided in subdivision (b), the first Wednesday
15 in October each school year or, for a district or building in which
16 school is not in session on that Wednesday due to conditions not
17 within the control of school authorities, with the approval of the
18 superintendent, the immediately following day on which school is in
19 session in the district or building.

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

- 22 (i) Fourth Wednesday in July.
23 (ii) First Wednesday in October.
24 (iii) Second Wednesday in February.
25 (iv) Fourth Wednesday in April.

26 (8) "Pupils in grades K to 12 actually enrolled and in regular
27 daily attendance" means pupils in grades K to 12 in attendance and

1 receiving instruction in all classes for which they are enrolled on
2 the pupil membership count day or the supplemental count day, as
3 applicable. Except as otherwise provided in this subsection, a
4 pupil who is absent from any of the classes in which the pupil is
5 enrolled on the pupil membership count day or supplemental count
6 day and who does not attend each of those classes during the 10
7 consecutive school days immediately following the pupil membership
8 count day or supplemental count day, except for a pupil who has
9 been excused by the district, shall not be counted as 1.0 full-time
10 equated membership. A pupil who is excused from attendance on the
11 pupil membership count day or supplemental count day and who fails
12 to attend each of the classes in which the pupil is enrolled within
13 30 calendar days after the pupil membership count day or
14 supplemental count day shall not be counted as 1.0 full-time
15 equated membership. In addition, a pupil who was enrolled and in
16 attendance in a district, an intermediate district, a public school
17 academy, or the education achievement system before the pupil
18 membership count day or supplemental count day of a particular year
19 but was expelled or suspended on the pupil membership count day or
20 supplemental count day shall only be counted as 1.0 full-time
21 equated membership if the pupil resumed attendance in the district,
22 intermediate district, public school academy, or education
23 achievement system within 45 days after the pupil membership count
24 day or supplemental count day of that particular year. Pupils not
25 counted as 1.0 full-time equated membership due to an absence from
26 a class shall be counted as a prorated membership for the classes
27 the pupil attended. For purposes of this subsection, "class" means

1 a period of time in 1 day when pupils and a certificated teacher, **A**
2 **TEACHER ENGAGED TO TEACH UNDER SECTION 1233B OF THE REVISED SCHOOL**
3 **CODE, MCL 380.1233B**, or **A** legally qualified substitute teacher are
4 together and instruction is taking place.

5 (9) "Rule" means a rule promulgated pursuant to the
6 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
7 24.328.

8 (10) "The revised school code" means 1976 PA 451, MCL 380.1 to
9 380.1852.

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

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

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

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

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

23 (16) "Tuition pupil" means a pupil of school age attending
24 school in a district other than the pupil's district of residence
25 for whom tuition may be charged to the district of residence.

26 Tuition pupil does not include a pupil who is a special education
27 pupil, a pupil described in subsection (6)(c) to (p), or a pupil

1 whose parent or guardian voluntarily enrolls the pupil in a
2 district that is not the pupil's district of residence. A pupil's
3 district of residence shall not require a high school tuition
4 pupil, as provided under section 111, to attend another school
5 district after the pupil has been assigned to a school district.

6 (17) "State school aid fund" means the state school aid fund
7 established in section 11 of article IX of the state constitution
8 of 1963.

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

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

20 (20) "Total state aid" or "total state school aid" means the
21 total combined amount of all funds due to a district, intermediate
22 district, or other entity under all of the provisions of this
23 article.

24 Sec. 21f. (1) A pupil enrolled in a district in any of grades
25 6 to 12 is eligible to enroll in an online course as provided for
26 in this section.

27 (2) With the consent of the pupil's parent or legal guardian,

1 a district shall enroll an eligible pupil in up to 2 online courses
2 as requested by the pupil during an academic term, semester, or
3 trimester. Unless the pupil is newly enrolled in the district, the
4 request for online course enrollment must be made in the academic
5 term, semester, trimester, or summer preceding the enrollment. A
6 district may not establish additional requirements that would
7 prohibit a pupil from taking an online course. If a pupil has
8 demonstrated previous success with online courses and the school
9 leadership and the pupil's parent or legal guardian determine that
10 it is in the best interest of the pupil, a pupil may be enrolled in
11 more than 2 online courses in a specific academic term, semester,
12 or trimester. Consent of the pupil's parent or legal guardian is
13 not required if the pupil is at least age 18 or is an emancipated
14 minor.

15 (3) An eligible pupil may enroll in an online course published
16 in the pupil's educating district's catalog of online courses
17 described in subsection (7) (a) or the statewide catalog of online
18 courses maintained by the Michigan ~~virtual university~~**VIRTUAL**
19 **UNIVERSITY** pursuant to section 98.

20 (4) A district shall determine whether or not it has capacity
21 to accept applications for enrollment from nonresident applicants
22 in online courses and may use that limit as the reason for refusal
23 to enroll an applicant. If the number of nonresident applicants
24 eligible for acceptance in an online course does not exceed the
25 capacity of the district to provide the online course, the district
26 shall accept for enrollment all of the nonresident applicants
27 eligible for acceptance. If the number of nonresident applicants

1 exceeds the district's capacity to provide the online course, the
2 district shall use a random draw system, subject to the need to
3 abide by state and federal antidiscrimination laws and court
4 orders.

5 (5) A district may deny a pupil enrollment in an online course
6 if any of the following apply, as determined by the district:

7 (a) The pupil has previously gained the credits provided from
8 the completion of the online course.

9 (b) The online course is not capable of generating academic
10 credit.

11 (c) The online course is inconsistent with the remaining
12 graduation requirements or career interests of the pupil.

13 (d) The pupil does not possess the prerequisite knowledge and
14 skills to be successful in the online course or has demonstrated
15 failure in previous online coursework in the same subject.

16 (e) The online course is of insufficient quality or rigor. A
17 district that denies a pupil enrollment for this reason shall make
18 a reasonable effort to assist the pupil to find an alternative
19 course in the same or a similar subject that is of acceptable rigor
20 and quality.

21 (f) The cost of the online course exceeds the amount
22 identified in subsection (8), unless the pupil's parent or legal
23 guardian agrees to pay the cost that exceeds this amount.

24 (g) The online course enrollment request does not occur within
25 the same timelines established by the district for enrollment and
26 schedule changes for regular courses.

27 (6) If a pupil is denied enrollment in an online course by a

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

12 (7) To offer or provide an online course under this section, a
13 district or intermediate district shall do all of the following:

14 (a) Provide the Michigan ~~virtual university~~ **VIRTUAL UNIVERSITY**
15 with the course syllabus in a form and method prescribed by the
16 Michigan ~~virtual university~~ **VIRTUAL UNIVERSITY** for inclusion in a
17 statewide online course catalog. The district or intermediate
18 district shall also provide on its publicly accessible website a
19 link to the course syllabi for all of the online courses offered by
20 the district or intermediate district and a link to the statewide
21 catalog of online courses maintained by the Michigan ~~virtual~~
22 ~~university~~ **VIRTUAL UNIVERSITY**.

23 (b) Offer the online course on an open entry and exit method,
24 or aligned to a semester, trimester, or accelerated academic term
25 format.

26 (c) Not later than October 1, 2014, provide the Michigan
27 ~~virtual university~~ **VIRTUAL UNIVERSITY** with the number of

1 enrollments in each online course the district or intermediate
2 district offered to pupils pursuant to this section in the
3 immediately preceding school year, and the number of enrollments in
4 which the pupil earned 60% or more of the total course points for
5 each online course.

6 (8) For a pupil enrolled in 1 or more online courses published
7 in the pupil's educating district's catalog of online courses under
8 subsection (7) or in the statewide catalog of online courses
9 maintained by the Michigan ~~virtual university~~, **VIRTUAL UNIVERSITY**,
10 the district shall use foundation allowance or per pupil funds
11 calculated under section 20 to pay for the expenses associated with
12 the online course or courses. The district shall pay 80% of the
13 cost of the online course upon enrollment and 20% upon completion
14 as determined by the district. A district is not required to pay
15 toward the cost of an online course an amount that exceeds 8.33% of
16 the minimum foundation allowance for the current fiscal year as
17 calculated under section 20.

18 (9) An online learning pupil shall have the same rights and
19 access to technology in his or her primary district's school
20 facilities as all other pupils enrolled in the pupil's primary
21 district.

22 (10) If a pupil successfully completes an online course, as
23 determined by the pupil's primary district, the pupil's primary
24 district shall grant appropriate academic credit for completion of
25 the course and shall count that credit toward completion of
26 graduation and subject area requirements. A pupil's school record
27 and transcript shall identify the online course title as it appears

1 in the online course syllabus.

2 (11) The enrollment of a pupil in 1 or more online courses
3 shall not result in a pupil being counted as more than 1.0 full-
4 time equivalent pupils under this article.

5 (12) The portion of the full-time equated pupil membership for
6 which a pupil is enrolled in 1 or more online courses under this
7 section shall not be transferred under the pupil transfer process
8 under section 25e.

9 (13) As used in this section:

10 (a) "Online course" means a course of study that is capable of
11 generating a credit or a grade, that is provided in an interactive
12 ~~internet-connected~~**INTERNET-CONNECTED** learning environment, in
13 which pupils are separated from their teachers by time or location,
14 or both, and in which a teacher who holds a valid Michigan teaching
15 certificate **OR IS A TEACHER ENGAGED TO TEACH UNDER SECTION 1233B OF**
16 **THE REVISED SCHOOL CODE, MCL 380.1233B**, is responsible for
17 determining appropriate instructional methods for each pupil,
18 diagnosing learning needs, assessing pupil learning, prescribing
19 intervention strategies, reporting outcomes, and evaluating the
20 effects of instruction and support strategies.

21 (b) "Online course syllabus" means a document that includes
22 all of the following:

23 (i) The state academic standards addressed in an online course.

24 (ii) The online course content outline.

25 (iii) The online course required assessments.

26 (iv) The online course prerequisites.

27 (v) Expectations for actual instructor contact time with the

1 online learning pupil and other pupil-to-instructor communications.

2 (vi) Academic support available to the online learning pupil.

3 (vii) The online course learning outcomes and objectives.

4 (viii) The name of the institution or organization providing the
5 online content.

6 (ix) The name of the institution or organization providing the
7 online instructor.

8 (x) The course titles assigned by the district or intermediate
9 district and the course titles and course codes from the ~~national~~
10 ~~center for education statistics~~ **NATIONAL CENTER FOR EDUCATION**
11 **STATISTICS** (NCES) ~~school codes~~ **SCHOOL CODES** for the ~~exchange of~~
12 ~~data~~ **EXCHANGE OF DATA** (SCED).

13 (xi) The number of eligible nonresident pupils that will be
14 accepted by the district or intermediate district in the online
15 course.

16 (xii) The results of the online course quality review using the
17 guidelines and model review process published by the Michigan
18 ~~virtual university~~ **VIRTUAL UNIVERSITY**.

19 (c) "Online learning pupil" means a pupil enrolled in 1 or
20 more online courses.

21 (d) "Primary district" means the district that enrolls the
22 pupil and reports the pupil as a full-time equated pupil for pupil
23 membership purposes.

24 Sec. 22f. (1) From the appropriation in section 11, there is
25 allocated for 2014-2015 an amount not to exceed \$75,000,000.00 to
26 provide incentive payments to districts that meet best practices
27 under this section. Payments received under this section may be

1 used for any purpose for which payments under sections 22a and 22b
2 may be used.

3 (2) The amount of the incentive payment under this section is
4 an amount equal to \$50.00 per pupil. A district shall receive an
5 incentive payment under this section if the district satisfies at
6 least 7 of the following requirements not later than June 1, 2015:

7 (a) If a district provides medical, pharmacy, dental, vision,
8 disability, long-term care, or any other type of benefit that would
9 constitute a health care services benefit, to employees and their
10 dependents, the district is the policyholder for each of its
11 insurance policies that covers 1 or more of these benefits. A
12 district that does not directly employ its staff or a district with
13 a voluntary employee beneficiary association that pays no more than
14 the maximum per employee contribution amount and that contributes
15 no more than the maximum employer contribution percentage of total
16 annual costs for the medical benefit plans as described in sections
17 3 and 4 of the publicly funded health insurance contribution act,
18 2011 PA 152, MCL 15.563 and 15.564, is considered to have satisfied
19 this requirement.

20 (b) The district has obtained competitive bids on the
21 provision of pupil transportation, food service, custodial, or 1 or
22 more other noninstructional services for 2014-2015. In comparing
23 competitive bids to the current costs of providing 1 or more of
24 these services, a district shall exclude the unfunded accrued
25 liability costs for retirement and other benefits from the
26 district's current costs.

27 (c) The district accepts applications for enrollment by

1 nonresident applicants under section 105 or 105c. A public school
2 academy is considered to have met this requirement.

3 (d) The district offers online courses or blended learning
4 opportunities to all eligible pupils. In order to satisfy this
5 requirement, a district must make all eligible pupils and their
6 parents or guardians aware of these opportunities and must publish
7 an online course syllabus as described in section 21f for each
8 online course that the district offers. For the purposes of this
9 subdivision:

10 (i) "Blended learning" means a hybrid instructional delivery
11 model where pupils are provided content, instruction, and
12 assessment in part at a supervised educational facility away from
13 home where the pupil and a teacher with a valid Michigan teaching
14 certificate **OR A TEACHER ENGAGED TO TEACH UNDER SECTION 1233B OF**
15 **THE REVISED SCHOOL CODE, MCL 380.1233B**, are in the same physical
16 location and in part through ~~internet-connected~~ **INTERNET-CONNECTED**
17 learning environments with some degree of pupil control over time,
18 location, and pace of instruction.

19 (ii) "Online course" means a course of study that is capable of
20 generating a credit or a grade, that is provided in an interactive
21 ~~internet-connected~~ **INTERNET-CONNECTED** learning environment, in
22 which pupils are separated from their teachers by time or location,
23 or both, and in which a teacher with a valid Michigan teaching
24 certificate **OR A TEACHER ENGAGED TO TEACH UNDER SECTION 1233B OF**
25 **THE REVISED SCHOOL CODE, MCL 380.1233B**, is responsible for
26 determining appropriate instructional methods for each pupil,
27 diagnosing learning needs, assessing pupil learning, prescribing

1 intervention strategies, reporting outcomes, and evaluating the
2 effects of instruction and support strategies.

3 (e) The district provides to parents and community members a
4 dashboard or report card demonstrating the district's efforts to
5 manage its finances responsibly. The dashboard or report card shall
6 include revenue and expenditure projections for the district for
7 fiscal year 2014-2015 and fiscal year 2015-2016, a listing of all
8 debt service obligations, detailed by project, including
9 anticipated fiscal year 2014-2015 payment for each project, a
10 listing of total outstanding debt, and at least all of the
11 following for the 3 most recent school years for which the data are
12 available:

13 (i) Graduation and dropout rates.

14 (ii) Average class size in grades kindergarten to 3.

15 (iii) College readiness as measured by Michigan merit
16 examination test scores.

17 (iv) Elementary and middle school MEAP scores.

18 (v) Teacher, principal, and superintendent salary information
19 including at least minimum, average, and maximum pay levels.

20 (vi) General fund balance.

21 (vii) The total number of days of instruction provided.

22 (f) The district complies with a method of compensation for
23 teachers and school administrators that includes job performance
24 and accomplishments as a significant factor in determining
25 compensation, as required under section 1250 of the revised school
26 code, MCL 380.1250.

27 (g) The district's collective bargaining agreements,

1 including, but not limited to, appendices, addenda, letters of
2 agreement, or any other documents reflecting agreements with
3 collective bargaining representatives, do not contain any
4 provisions pertaining to, relating to, or that are otherwise
5 contrary to the prohibited subjects of bargaining enumerated in
6 section 15(3) of 1947 PA 336, MCL 423.215.

7 (h) The district implements a comprehensive guidance and
8 counseling program.

9 (i) The district offers pupils in grades K to 8 the
10 opportunity to complete coursework or other learning experiences
11 that are substantially equivalent to 1 credit in a language other
12 than English.

13 (3) If the department determines that a district has
14 intentionally submitted false information in order to qualify for
15 an incentive payment under this section, the district forfeits an
16 amount equal to the amount it received under this section from its
17 total state school aid for 2015-2016.

18 (4) If the department determines that funds allocated under
19 this section will remain unexpended after the initial allocation of
20 \$50.00 per pupil to eligible districts under subsection (2), the
21 remaining unexpended amount is allocated on an equal per pupil
22 basis to districts that meet the requirements of subsection (2) and
23 that have a foundation allowance, as calculated under section 20,
24 in an amount that is less than the basic foundation allowance under
25 that section.

26 Sec. 32d. (1) From the funds appropriated in section 11, there
27 is allocated to eligible intermediate districts and consortia of

1 intermediate districts for great start readiness programs an amount
2 not to exceed \$214,275,000.00 for 2014-2015. In addition, from the
3 funds appropriated in section 11, there is allocated to the great
4 start readiness reserve fund created under subsection (19) an
5 amount not to exceed \$25,000,000.00 for 2014-2015. Funds allocated
6 under this section for great start readiness programs shall be used
7 to provide part-day, school-day, or GSRP/head start blended
8 comprehensive free compensatory classroom programs designed to
9 improve the readiness and subsequent achievement of educationally
10 disadvantaged children who meet the participant eligibility and
11 prioritization guidelines as defined by the department. For a child
12 to be eligible to participate in a program under this section, the
13 child shall be at least 4, but less than 5, years of age as of the
14 date specified for determining a child's eligibility to attend
15 school under section 1147 of the revised school code, MCL 380.1147.

16 (2) Funds allocated under subsection (1) shall be allocated to
17 intermediate districts or consortia of intermediate districts based
18 on the formula in section 39. An intermediate district or
19 consortium of intermediate districts receiving funding under this
20 section shall act as the fiduciary for the great start readiness
21 programs. In order to be eligible to receive funds allocated under
22 this subsection from an intermediate district or consortium of
23 intermediate districts, a district, a consortium of districts, or a
24 public or private for-profit or nonprofit legal entity or agency
25 shall comply with this section and section 39.

26 (3) In addition to the allocation under subsection (1), from
27 the general fund money appropriated under section 11, there is

1 allocated an amount not to exceed \$300,000.00 for 2014-2015 for a
2 competitive grant to continue a longitudinal evaluation of children
3 who have participated in great start readiness programs.

4 (4) To be eligible for funding under this section, a program
5 shall prepare children for success in school through comprehensive
6 part-day, school-day, or GSRP/head start blended programs that
7 contain all of the following program components, as determined by
8 the department:

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

13 (b) An age-appropriate educational curriculum that is in
14 compliance with the early childhood standards of quality for
15 prekindergarten children adopted by the state board.

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

18 (d) Physical and dental health and developmental screening
19 services for all program participants.

20 (e) Referral services for families of program participants to
21 community social service agencies, including mental health
22 services, as appropriate.

23 (f) Active and continuous involvement of the parents or
24 guardians of the program participants.

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

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

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

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

15 (5) An application for funding under this section shall
16 provide for the following, in a form and manner determined by the
17 department:

18 (a) Ensure compliance with all program components described in
19 subsection (4).

20 (b) Except as otherwise provided in this subdivision, ensure
21 that at least 90% of the children participating in an eligible
22 great start readiness program for whom the intermediate district is
23 receiving funds under this section are children who live with
24 families with a household income that is equal to or less than 250%
25 of the federal poverty level. If the intermediate district
26 determines that all eligible children are being served and that
27 there are no children on the waiting list under section 39(1)(d)

1 who live with families with a household income that is equal to or
2 less than 250% of the federal poverty level, the intermediate
3 district may then enroll children who live with families with a
4 household income that is equal to or less than 300% of the federal
5 poverty level. The enrollment process shall consider income and
6 risk factors, such that children determined with higher need are
7 enrolled before children with lesser need. For purposes of this
8 subdivision, all age-eligible children served in foster care or who
9 are experiencing homelessness or who have individualized education
10 plans recommending placement in an inclusive preschool setting
11 shall be considered to live with families with household income
12 equal to or less than 250% of the federal poverty level regardless
13 of actual family income.

14 (c) Ensure that the applicant only uses qualified personnel
15 for this program, as follows:

16 (i) Teachers possessing proper training. A lead teacher must
17 have a valid teaching certificate with an early childhood (ZA or
18 ZS) endorsement or a bachelor's degree in child development or
19 early child development with specialization in preschool teaching,
20 **OR MUST BE A TEACHER ENGAGED TO TEACH UNDER SECTION 1233B OF THE**
21 **REVISED SCHOOL CODE, MCL 380.1233B.** However, if an applicant
22 demonstrates to the department that it is unable to fully comply
23 with this subparagraph after making reasonable efforts to comply,
24 teachers who have significant but incomplete training in early
25 childhood education or child development may be used if the
26 applicant provides to the department, and the department approves,
27 a plan for each teacher to come into compliance with the standards

1 in this subparagraph. A teacher's compliance plan must be completed
2 within 2 years of the date of employment. Progress toward
3 completion of the compliance plan shall consist of at least 2
4 courses per calendar year.

5 (ii) Paraprofessionals possessing proper training in early
6 childhood development, including an associate's degree in early
7 childhood education or child development or the equivalent, or a
8 child development associate (CDA) credential. However, if an
9 applicant demonstrates to the department that it is unable to fully
10 comply with this subparagraph after making reasonable efforts to
11 comply, the applicant may use paraprofessionals who have completed
12 at least 1 course that earns college credit in early childhood
13 education or child development if the applicant provides to the
14 department, and the department approves, a plan for each
15 paraprofessional to come into compliance with the standards in this
16 subparagraph. A paraprofessional's compliance plan must be
17 completed within 2 years of the date of employment. Progress toward
18 completion of the compliance plan shall consist of at least 2
19 courses or 60 clock hours of training per calendar year.

20 (d) Include a program budget that contains only those costs
21 that are not reimbursed or reimbursable by federal funding, that
22 are clearly and directly attributable to the great start readiness
23 program, and that would not be incurred if the program were not
24 being offered. Eligible costs include transportation costs. The
25 program budget shall indicate the extent to which these funds will
26 supplement other federal, state, local, or private funds. Funds
27 received under this section shall not be used to supplant any

1 federal funds received by the applicant to serve children eligible
2 for a federally funded preschool program that has the capacity to
3 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 shall be counted as 2 children served by the
7 program for purposes of determining the number of children to be
8 served and for determining the amount of the grant award. A grant
9 award shall not be increased solely on the basis of providing a
10 school-day program.

11 (7) For a grant recipient that enrolls pupils in a GSRP/head
12 start blended program, the grant recipient shall ensure that all
13 head start and GSRP policies and regulations are applied to the
14 blended slots, with adherence to the highest standard from either
15 program, to the extent allowable under federal law.

16 (8) An intermediate district or consortium of intermediate
17 districts receiving a grant under this section shall designate an
18 early childhood coordinator, and may provide services directly or
19 may contract with 1 or more districts or public or private for-
20 profit or nonprofit providers that meet all requirements of
21 subsection (4).

22 (9) Funds received under this section may be retained for
23 administrative services as follows:

24 (a) For the portion of the total grant amount for which
25 services are provided directly by an intermediate district or
26 consortium of intermediate districts, the intermediate district or
27 consortium of intermediate districts may retain an amount equal to

1 not more than 7% of that portion of the grant amount.

2 (b) For the portion of the total grant amount for which
3 services are contracted, the intermediate district or consortium of
4 intermediate districts receiving the grant may retain an amount
5 equal to not more than 2% of that portion of the grant amount and
6 the subrecipients engaged by the intermediate district to provide
7 program services may retain for administrative services an amount
8 equal to not more than 5% of that portion of the grant amount.

9 (10) An intermediate district or consortium of intermediate
10 districts may expend not more than 2% of the total grant amount for
11 outreach, recruiting, and public awareness of the program.

12 (11) Each grant recipient shall enroll children identified
13 under subsection (5) (b) according to how far the child's household
14 income is below 250% of the federal poverty level by ranking each
15 applicant child's household income from lowest to highest and
16 dividing the applicant children into quintiles based on how far the
17 child's household income is below 250% of the federal poverty
18 level, and then enrolling children in the quintile with the lowest
19 household income before enrolling children in the quintile with the
20 next lowest household income until slots are completely filled. If
21 the grant recipient determines that all eligible children are being
22 served and that there are no children on the waiting list under
23 section 39(1) (d) who live with families with a household income
24 that is equal to or less than 250% of the federal poverty level,
25 the grant recipient may then enroll children who live with families
26 with a household income that is equal to or less than 300% of the
27 federal poverty level. The enrollment process shall consider income

1 and risk factors, such that children determined with higher need
2 are enrolled before children with lesser need. For purposes of this
3 subdivision, all age-eligible children served in foster care or who
4 are experiencing homelessness or who have individualized education
5 plans recommending placement in an inclusive preschool setting
6 shall be considered to live with families with household income
7 equal to or less than 250% of the federal poverty level regardless
8 of actual family income.

9 (12) An intermediate district or consortium of intermediate
10 districts receiving a grant under this section shall allow parents
11 of eligible children who are residents of the intermediate district
12 or within the consortium to choose a program operated by or
13 contracted with another intermediate district or consortium of
14 intermediate districts and shall pay to the educating intermediate
15 district or consortium the per-child amount attributable to each
16 child enrolled pursuant to this sentence, as determined under
17 section 39.

18 (13) An intermediate district or consortium of intermediate
19 districts receiving a grant under this section shall conduct a
20 local process to contract with interested and eligible public and
21 private for-profit and nonprofit community-based providers that
22 meet all requirements of subsection (4) for at least 30% of its
23 total slot allocation. The intermediate district or consortium
24 shall report to the department, in a manner prescribed by the
25 department, a detailed list of community-based providers by
26 provider type, including private for-profit, private nonprofit,
27 community college or university, head start grantee or delegate,

1 and district or intermediate district, and the number and
2 proportion of its total slot allocation allocated to each provider
3 as subrecipient. If the intermediate district or consortium is not
4 able to contract for at least 30% of its total slot allocation, the
5 grant recipient shall notify the department and, if the department
6 verifies that the intermediate district or consortium attempted to
7 contract for at least 30% of its total slot allocation and was not
8 able to do so, then the intermediate district or consortium may
9 retain and use all of its allocated slots as provided under this
10 section. To be able to use this exemption, the intermediate
11 district or consortium shall demonstrate to the department that the
12 intermediate district or consortium increased the percentage of its
13 total slot allocation for which it contracts with a community-based
14 provider and the intermediate district or consortium shall submit
15 evidence satisfactory to the department, and the department must be
16 able to verify this evidence, demonstrating that the intermediate
17 district or consortium took measures to contract for at least 30%
18 of its total slot allocation as required under this subsection,
19 including, but not limited to, at least all of the following
20 measures:

21 (a) The intermediate district or consortium notified each
22 licensed child care center located in the service area of the
23 intermediate district or consortium at least twice regarding the
24 center's eligibility to participate. One of these notifications may
25 be made electronically, but at least 1 of these notifications shall
26 be made via hard copy through the United States mail. At least 1 of
27 these notifications shall be made within 7 days after the

1 intermediate district or consortium receives notice from the
2 department of its slot allocations.

3 (b) The intermediate district or consortium provided to each
4 licensed child care center located in the service area of the
5 intermediate district or consortium information regarding great
6 start readiness program requirements and a description of the
7 application and selection process for community-based providers.

8 (c) The intermediate district or consortium provided to the
9 public and to participating families a list of community-based
10 great start readiness program subrecipients with a great start to
11 quality rating of at least 3 stars.

12 (14) If an intermediate district or consortium of intermediate
13 districts receiving a grant under this section fails to submit
14 satisfactory evidence to demonstrate its effort to contract for at
15 least 30% of its total slot allocation, as required under
16 subsection (1), the department shall reduce the slots allocated to
17 the intermediate district or consortium by a percentage equal to
18 the difference between the percentage of an intermediate district's
19 or consortium's total slot allocation awarded to community-based
20 providers and 30% of its total slot allocation.

21 (15) In order to assist intermediate districts and consortia
22 in complying with the requirement to contract with community-based
23 providers for at least 30% of their total slot allocation, the
24 department shall do all of the following:

25 (a) Ensure that a great start resource center or the
26 department provides each intermediate district or consortium
27 receiving a grant under this section with the contact information

1 for each licensed child care center located in the service area of
2 the intermediate district or consortium by March 1 of each year.

3 (b) Provide, or ensure that an organization with which the
4 department contracts provides, a community-based provider with a
5 validated great start to quality rating within 90 days of the
6 provider's having submitted a request and self-assessment.

7 (c) Ensure that all intermediate district, district, community
8 college or university, head start grantee or delegate, private for-
9 profit, and private nonprofit providers are subject to a single
10 great start to quality rating system. The rating system shall
11 ensure that regulators process all prospective providers at the
12 same pace on a first-come, first-served basis and shall not allow 1
13 type of provider to receive a great start to quality rating ahead
14 of any other type of provider.

15 (d) Not later than November 1 of each year, compile the
16 results of the information reported by each intermediate district
17 or consortium under subsection ~~(10)~~-(16) and report to the
18 legislature a list by intermediate district or consortium with the
19 number and percentage of each intermediate district's or
20 consortium's total slot allocation allocated to community-based
21 providers by provider type, including private for-profit, private
22 nonprofit, community college or university, head start grantee or
23 delegate, and district or intermediate district.

24 (16) A recipient of funds under this section shall report to
25 the department in a form and manner prescribed by the department
26 the number of children participating in the program who meet the
27 income eligibility criteria under subsection (5) (b) and the total

1 number of children participating in the program. For children
2 participating in the program who meet the income eligibility
3 criteria specified under subsection (5)(b), a recipient shall also
4 report whether or not a parent is available to provide care based
5 on employment status. For the purposes of this subsection,
6 "employment status" shall be defined by the department of human
7 services in a manner consistent with maximizing the amount of
8 spending that may be claimed for temporary assistance for needy
9 families maintenance of effort purposes.

10 (17) As used in this section:

11 (a) "GSRP/head start blended program" means a part-day program
12 funded under this section and a head start program, which are
13 combined for a school-day program.

14 (b) "Part-day program" means a program that operates at least
15 4 days per week, 30 weeks per year, for at least 3 hours of
16 teacher-child contact time per day but for fewer hours of teacher-
17 child contact time per day than a school-day program.

18 (c) "School-day program" means a program that operates for at
19 least the same length of day as a district's first grade program
20 for a minimum of 4 days per week, 30 weeks per year. A classroom
21 that offers a school-day program must enroll all children for the
22 school day to be considered a school-day program.

23 (18) An intermediate district or consortium of intermediate
24 districts receiving funds under this section shall establish a
25 sliding scale of tuition rates based upon household income for
26 children participating in an eligible great start readiness program
27 who live with families with a household income that is more than

1 250% of the federal poverty level to be used by all of its
2 providers, as approved by the department. A grant recipient shall
3 charge tuition according to that sliding scale of tuition rates on
4 a uniform basis for any child who does not meet the income
5 eligibility requirements under this section.

6 (19) The great start readiness reserve fund is created as a
7 separate account within the state school aid fund established by
8 section 11 of article IX of the state constitution of 1963. Money
9 available in the great start readiness reserve fund may not be
10 expended for 2014-2015 unless transferred by the legislature not
11 later than December 15, 2014 to the allocation under subsection (1)
12 for great start readiness programs. Money in the great start
13 readiness reserve fund shall be expended only for purposes for
14 which state school aid fund money may be expended. The state
15 treasurer shall direct the investment of the great start readiness
16 reserve fund. The state treasurer shall credit to the great start
17 readiness reserve fund interest and earnings from fund investments.
18 Money in the great start readiness reserve fund at the close of a
19 fiscal year shall remain in the great start readiness reserve fund
20 and shall not lapse to the unreserved school aid fund balance or
21 the general fund.

22 (20) From the amount appropriated in subsection (1), there is
23 allocated an amount not to exceed \$10,000,000.00 for reimbursement
24 of transportation costs for children attending great start
25 readiness programs funded under this section. To receive
26 reimbursement under this subsection, not later than November 1,
27 2014, a program funded under this section that provides

1 transportation shall submit to the intermediate district that is
2 the fiscal agent for the program a projected transportation budget.
3 The amount of the reimbursement for transportation under this
4 subsection shall be the lesser of the projected transportation
5 budget or \$150.00 multiplied by the number of slots funded for the
6 program under this section. If the amount allocated under this
7 subsection is insufficient to fully reimburse the transportation
8 costs for all programs that provide transportation and submit the
9 required information, the reimbursement shall be prorated in an
10 equal amount per slot funded. Payments shall be made to the
11 intermediate district that is the fiscal agent for each program,
12 and the intermediate district shall then reimburse the program
13 provider for transportation costs as prescribed under this
14 subsection.

15 Sec. 98. (1) From the general fund money appropriated in
16 section 11, there is allocated an amount not to exceed
17 \$7,387,500.00 for 2014-2015 for the purposes described in this
18 section.

19 (2) The Michigan ~~virtual university~~ **VIRTUAL UNIVERSITY** shall
20 operate the Michigan ~~virtual learning research institute~~ **VIRTUAL**
21 **LEARNING RESEARCH INSTITUTE**. The Michigan ~~virtual learning research~~
22 ~~institute~~ **VIRTUAL LEARNING RESEARCH INSTITUTE** shall do all of the
23 following:

24 (a) Support and accelerate innovation in education through the
25 following activities:

26 (i) Test, evaluate, and recommend as appropriate new
27 technology-based instructional tools and resources.

1 (ii) Research, design, and recommend digital education delivery
2 models for use by pupils and teachers that include age-appropriate
3 multimedia instructional content.

4 (iii) Research, develop, and recommend annually to the
5 department criteria by which cyber schools and online course
6 providers should be monitored and evaluated to ensure a quality
7 education for their pupils.

8 (iv) Based on pupil completion and performance data reported to
9 the department or the center for educational performance and
10 information from cyber schools and other online course providers
11 operating in this state, analyze the effectiveness of online
12 learning delivery models in preparing pupils to be college- and
13 career-ready and publish a report that highlights enrollment
14 totals, completion rates, and the overall impact on pupils. The
15 report shall be submitted to the house and senate appropriations
16 subcommittees on state school aid, the state budget director, the
17 house and senate fiscal agencies, and the department not later than
18 December 1, 2015.

19 (v) Before August 31, 2015, provide an extensive professional
20 development program to at least 500 educational personnel,
21 including teachers, school administrators, and school board
22 members, that focuses on the effective integration of digital
23 learning into curricula and instruction. Not later than December 1,
24 2015, the Michigan ~~virtual learning research institute~~**VIRTUAL**
25 **LEARNING RESEARCH INSTITUTE** shall submit a report to the house and
26 senate appropriations subcommittees on state school aid, the state
27 budget director, the house and senate fiscal agencies, and the

1 department on the number and percentage of teachers, school
2 administrators, and school board members who have received
3 professional development services from the Michigan ~~virtual~~
4 ~~university.~~ **VIRTUAL UNIVERSITY.** The report shall also identify
5 barriers and other opportunities to encourage the adoption of
6 digital learning in the public education system.

7 (vi) Identify and share best practices for planning,
8 implementing, and evaluating online and blended education delivery
9 models with intermediate districts, districts, and public school
10 academies to accelerate the adoption of innovative education
11 delivery models statewide.

12 (b) Provide leadership for this state's system of digital
13 learning education by doing the following activities:

14 (i) Develop and report policy recommendations to the governor
15 and the legislature that accelerate the expansion of effective
16 online learning in this state's schools.

17 (ii) Provide a clearinghouse for research reports, academic
18 studies, evaluations, and other information related to online
19 learning.

20 (iii) Promote and distribute the most current instructional
21 design standards and guidelines for online teaching.

22 (iv) In collaboration with the department and interested
23 colleges and universities in this state, support implementation and
24 improvements related to effective digital learning instruction.

25 (v) Pursue public/private partnerships that include districts
26 to study and implement competency-based technology-rich online
27 learning models.

1 (vi) Convene focus groups and conduct annual surveys of
2 teachers, administrators, pupils, parents, and others to identify
3 barriers and opportunities related to online learning.

4 (vii) Produce an annual consumer awareness report for schools
5 and parents about effective online education providers and
6 education delivery models, performance data, cost structures, and
7 research trends.

8 (viii) Research and establish an internet-based platform that
9 educators can use to create student-centric learning tools and
10 resources and facilitate a user network that assists educators in
11 using the platform. As part of this initiative, the Michigan
12 ~~virtual university~~**VIRTUAL UNIVERSITY** shall work collaboratively
13 with districts and intermediate districts to establish a plan to
14 make available online resources that align to Michigan's K-12
15 curriculum standards for use by students, educators, and parents.

16 (ix) Create and maintain a public statewide catalog of online
17 learning courses being offered by all public schools in this state.
18 The Michigan ~~virtual learning research institute~~**VIRTUAL LEARNING**
19 **RESEARCH INSTITUTE** shall identify and develop a list of nationally
20 recognized best practices for online learning and use this list to
21 support reviews of online course vendors, courses, and
22 instructional practices. The Michigan ~~virtual learning research~~
23 ~~institute~~**VIRTUAL LEARNING RESEARCH INSTITUTE** shall also provide a
24 mechanism for intermediate districts to use the identified best
25 practices to review content offered by constituent districts. The
26 Michigan ~~virtual learning research institute~~**VIRTUAL LEARNING**
27 **RESEARCH INSTITUTE** shall review the online course offerings of the

1 Michigan ~~virtual university~~, **VIRTUAL UNIVERSITY**, and make the
2 results from these reviews available to the public as part of the
3 statewide catalog. The Michigan ~~virtual learning research institute~~
4 **VIRTUAL LEARNING RESEARCH INSTITUTE** shall ensure that the statewide
5 catalog is made available to the public on the Michigan ~~virtual~~
6 ~~university~~-**VIRTUAL UNIVERSITY** website and shall allow the ability
7 to link it to each district's website as provided for in section
8 21f. Beginning in 2014-2015, the statewide catalog shall also
9 contain all of the following:

10 (A) The number of enrollments in each online 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 online course in the immediately
14 preceding school year.

15 (C) The completion rate for each online course.

16 (x) Collaborate with key stakeholders to examine the need and
17 process for incorporating registration, payment services, and
18 transcript functionality to the statewide catalog.

19 (xi) Collaborate with key stakeholders to examine district
20 level accountability and teacher effectiveness issues related to
21 online learning under section 21f and make findings and
22 recommendations publicly available.

23 (3) In order for the Michigan ~~virtual university~~-**VIRTUAL**
24 **UNIVERSITY** to receive any funds allocated under this section, the
25 Michigan ~~virtual school~~-**VIRTUAL SCHOOL** must maintain its
26 accreditation status from recognized national and international
27 accrediting entities.

1 (4) If the course offerings are included in the statewide
2 catalog of online courses under subsection (2) (b) (ix), the Michigan
3 ~~virtual school~~**VIRTUAL SCHOOL** operated by the Michigan ~~virtual~~
4 ~~university~~**VIRTUAL UNIVERSITY** may offer online course offerings,
5 including, but not limited to, all of the following:

6 (a) Information technology courses.

7 (b) College level equivalent courses, as defined in section
8 1471 of the revised school code, MCL 380.1471.

9 (c) Courses and dual enrollment opportunities.

10 (d) Programs and services for at-risk pupils.

11 (e) General education development test preparation courses for
12 adjudicated youth.

13 (f) Special interest courses.

14 (g) Professional development programs for teachers, school
15 administrators, other school employees, and school board members.

16 (5) If a home-schooled or nonpublic school student is a
17 resident of a district that subscribes to services provided by the
18 Michigan ~~virtual school~~,**VIRTUAL SCHOOL**, the student may use the
19 services provided by the Michigan ~~virtual school~~**VIRTUAL SCHOOL** to
20 the district without charge to the student beyond what is charged
21 to a district pupil using the same services.

22 (6) Not later than December 1 of each fiscal year, the
23 Michigan ~~virtual university~~**VIRTUAL UNIVERSITY** shall provide a
24 report to the house and senate appropriations subcommittees on
25 state school aid, the state budget director, the house and senate
26 fiscal agencies, and the department that includes at least all of
27 the following information related to the Michigan ~~virtual school~~

1 **VIRTUAL SCHOOL** for the preceding state fiscal year:

2 (a) A list of the districts served by the Michigan ~~virtual~~
3 ~~school~~. **VIRTUAL SCHOOL**.

4 (b) A list of online course titles available to districts.

5 (c) The total number of online course enrollments and
6 information on registrations and completions by course.

7 (d) The overall course completion rate percentage.

8 (7) The governor may appoint an advisory group for the
9 Michigan ~~virtual learning research institute~~ **VIRTUAL LEARNING**
10 **RESEARCH INSTITUTE** established under subsection (2). The members of
11 the advisory group shall serve at the pleasure of the governor and
12 shall serve without compensation. The purpose of the advisory group
13 is to make recommendations to the governor, the legislature, and
14 the president and board of the Michigan ~~virtual university~~ **VIRTUAL**
15 **UNIVERSITY** that will accelerate innovation in this state's
16 education system in a manner that will prepare elementary and
17 secondary students to be career and college ready and that will
18 promote the goal of increasing the percentage of citizens of this
19 state with high-quality degrees and credentials to at least 60% by
20 2025.

21 (8) Not later than November 1, 2014, the Michigan ~~virtual~~
22 ~~university~~ **VIRTUAL UNIVERSITY** shall submit to the house and senate
23 appropriations subcommittees on state school aid, the state budget
24 director, and the house and senate fiscal agencies a detailed
25 budget for the 2014-2015 fiscal year that includes a breakdown on
26 its projected costs to deliver online educational services to
27 districts and a summary of the anticipated fees to be paid by

1 districts for those services. Beginning in 2013-2014, not later
2 than February 1, the Michigan ~~virtual university~~ **VIRTUAL UNIVERSITY**
3 shall submit to the house and senate appropriations subcommittees
4 on state school aid, the state budget director, and the house and
5 senate fiscal agencies a breakdown on its actual costs to deliver
6 online educational services to districts and a summary of the
7 actual fees paid by districts for those services based on audited
8 financial statements for the immediately preceding fiscal year.

9 (9) As used in this section:

10 (a) "Blended learning" means a hybrid instructional delivery
11 model where pupils are provided content, instruction, and
12 assessment, in part at a supervised educational facility away from
13 home where the pupil and a teacher with a valid Michigan teaching
14 certificate **OR A TEACHER ENGAGED TO TEACH UNDER SECTION 1233B OF**
15 **THE REVISED SCHOOL CODE, MCL 380.1233B**, are in the same physical
16 location and in part through ~~internet-connected~~ **INTERNET-CONNECTED**
17 learning environments with some degree of pupil control over time,
18 location, and pace of instruction.

19 (b) "Cyber school" means a full-time instructional program of
20 online courses for pupils that may or may not require attendance at
21 a physical school location.

22 (c) "Digital learning" means instruction delivered via a web-
23 based educational delivery system that uses various information
24 technologies to provide a structured learning environment,
25 including online and blended learning instructional methods.

26 (d) "Online course" means a course of study that is capable of
27 generating a credit or a grade, that is provided in an interactive

1 ~~internet-connected~~**INTERNET-CONNECTED** learning environment, in
2 which pupils are separated from their teachers by time or location,
3 or both, and in which a teacher who holds a valid Michigan teaching
4 certificate **OR A TEACHER ENGAGED TO TEACH UNDER SECTION 1233B OF**
5 **THE REVISED SCHOOL CODE, MCL 380.1233B,** is responsible for
6 determining appropriate instructional methods for each pupil,
7 diagnosing learning needs, assessing pupil learning, prescribing
8 intervention strategies, reporting outcomes, and evaluating the
9 effects of instruction and support strategies.

10 Sec. 101. (1) To be eligible to receive state aid under this
11 article, not later than the fifth Wednesday after the pupil
12 membership count day and not later than the fifth Wednesday after
13 the supplemental count day, each district superintendent shall
14 submit to the center and the intermediate superintendent, in the
15 form and manner prescribed by the center, the number of pupils
16 enrolled and in regular daily attendance in the district as of the
17 pupil membership count day and as of the supplemental count day, as
18 applicable, for the current school year. In addition, a district
19 maintaining school during the entire year, as provided under
20 section 1561 of the revised school code, MCL 380.1561, shall submit
21 to the center and the intermediate superintendent, in the form and
22 manner prescribed by the center, the number of pupils enrolled and
23 in regular daily attendance in the district for the current school
24 year pursuant to rules promulgated by the superintendent. Not later
25 than the sixth Wednesday after the pupil membership count day and
26 not later than the sixth Wednesday after the supplemental count
27 day, the district shall certify the data in a form and manner

1 prescribed by the center and file the certified data with the
2 intermediate superintendent. If a district fails to submit and
3 certify the attendance data, as required under this subsection, the
4 center shall notify the department and state aid due to be
5 distributed under this article shall be withheld from the
6 defaulting district immediately, beginning with the next payment
7 after the failure and continuing with each payment until the
8 district complies with this subsection. If a district does not
9 comply with this subsection by the end of the fiscal year, the
10 district forfeits the amount withheld. A person who willfully
11 falsifies a figure or statement in the certified and sworn copy of
12 enrollment shall be punished in the manner prescribed by section
13 161.

14 (2) To be eligible to receive state aid under this article,
15 not later than the twenty-fourth Wednesday after the pupil
16 membership count day and not later than the twenty-fourth Wednesday
17 after the supplemental count day, an intermediate district shall
18 submit to the center, in a form and manner prescribed by the
19 center, the audited enrollment and attendance data for the pupils
20 of its constituent districts and of the intermediate district. If
21 an intermediate district fails to submit the audited data as
22 required under this subsection, state aid due to be distributed
23 under this article shall be withheld from the defaulting
24 intermediate district immediately, beginning with the next payment
25 after the failure and continuing with each payment until the
26 intermediate district complies with this subsection. If an
27 intermediate district does not comply with this subsection by the

1 end of the fiscal year, the intermediate district forfeits the
2 amount withheld.

3 (3) Except as otherwise provided in subsections (11) and (12),
4 all of the following apply to the provision of pupil instruction:

5 (a) Except as otherwise provided in this section, each
6 district shall provide at least 1,098 hours and, beginning in 2010-
7 2011, the required minimum number of days of pupil instruction.
8 Beginning in 2014-2015, the required minimum number of days of
9 pupil instruction is 175. However, all of the following apply to
10 these requirements:

11 (i) If a collective bargaining agreement that provides a
12 complete school calendar was in effect for employees of a district
13 as of July 1, 2013, and if that school calendar is not in
14 compliance with this subsection, then this subsection does not
15 apply to that district until after the expiration of that
16 collective bargaining agreement. If a district entered into a
17 collective bargaining agreement on or after July 1, 2013 and if
18 that collective bargaining agreement did not provide for at least
19 175 days of pupil instruction beginning in 2014-2015, then the
20 department shall withhold from the district's total state school
21 aid an amount equal to 5% of the funding the district receives in
22 2014-2015 under sections 22a and 22b.

23 (ii) A district may apply for a waiver under subsection (9)
24 from the requirements of this subdivision.

25 (b) Beginning in 2016-2017, the required minimum number of
26 days of pupil instruction is 180. If a collective bargaining
27 agreement that provides a complete school calendar was in effect

1 for employees of a district as of the effective date of the
2 amendatory act that added this subdivision, and if that school
3 calendar is not in compliance with this subdivision, then this
4 subdivision does not apply to that district until after the
5 expiration of that collective bargaining agreement. A district may
6 apply for a waiver under subsection (9) from the requirements of
7 this subdivision.

8 (c) Except as otherwise provided in this article, a district
9 failing to comply with the required minimum hours and days of pupil
10 instruction under this subsection shall forfeit from its total
11 state aid allocation an amount determined by applying a ratio of
12 the number of hours or days the district was in noncompliance in
13 relation to the required minimum number of hours and days under
14 this subsection. Not later than August 1, the board of each
15 district shall certify to the department the number of hours and
16 days of pupil instruction in the previous school year. If the
17 district did not provide at least the required minimum number of
18 hours and days of pupil instruction under this subsection, the
19 deduction of state aid shall be made in the following fiscal year
20 from the first payment of state school aid. A district is not
21 subject to forfeiture of funds under this subsection for a fiscal
22 year in which a forfeiture was already imposed under subsection
23 (6).

24 (d) Hours or days lost because of strikes or teachers'
25 conferences shall not be counted as hours or days of pupil
26 instruction.

27 (e) If a collective bargaining agreement that provides a

1 complete school calendar is in effect for employees of a district
2 as of October 19, 2009, and if that school calendar is not in
3 compliance with this subsection, then this subsection does not
4 apply to that district until after the expiration of that
5 collective bargaining agreement.

6 (f) Except as otherwise provided in subdivisions (g) and (h),
7 a district not having at least 75% of the district's membership in
8 attendance on any day of pupil instruction shall receive state aid
9 in that proportion of 1/180 that the actual percent of attendance
10 bears to the specified percentage.

11 (g) If a district adds 1 or more days of pupil instruction to
12 the end of its instructional calendar for a school year to comply
13 with subdivision (a) because the district otherwise would fail to
14 provide the required minimum number of days of pupil instruction
15 even after the operation of subsection (4) due to conditions not
16 within the control of school authorities, then subdivision (f) does
17 not apply for any day of pupil instruction that is added to the end
18 of the instructional calendar. Instead, for any of those days, if
19 the district does not have at least 60% of the district's
20 membership in attendance on that day, the district shall receive
21 state aid in that proportion of 1/180 that the actual percentage of
22 attendance bears to the specified percentage. For any day of pupil
23 instruction added to the instructional calendar as described in
24 this subdivision, the district shall report to the department the
25 percentage of the district's membership that is in attendance, in
26 the form and manner prescribed by the department.

27 (h) At the request of a district that operates a department-

1 approved alternative education program and that does not provide
2 instruction for pupils in all of grades K to 12, the superintendent
3 may grant a waiver from the requirements of subdivision (f). The
4 waiver shall indicate that an eligible district is subject to the
5 proration provisions of subdivision (f) only if the district does
6 not have at least 50% of the district's membership in attendance on
7 any day of pupil instruction. In order to be eligible for this
8 waiver, a district must maintain records to substantiate its
9 compliance with the following requirements:

10 (i) The district offers the minimum hours of pupil instruction
11 as required under this section.

12 (ii) For each enrolled pupil, the district uses appropriate
13 academic assessments to develop an individual education plan that
14 leads to a high school diploma.

15 (iii) The district tests each pupil to determine academic
16 progress at regular intervals and records the results of those
17 tests in that pupil's individual education plan.

18 (i) All of the following apply to a waiver granted under
19 subdivision (h):

20 (i) If the waiver is for a blended model of delivery, a waiver
21 that is granted for the 2011-2012 fiscal year or a subsequent
22 fiscal year remains in effect unless it is revoked by the
23 superintendent.

24 (ii) If the waiver is for a 100% online model of delivery and
25 the educational program for which the waiver is granted makes
26 educational services available to pupils for a minimum of at least
27 1,098 hours during a school year and ensures that each pupil

1 participates in the educational program for at least 1,098 hours
2 during a school year, a waiver that is granted for the 2011-2012
3 fiscal year or a subsequent fiscal year remains in effect unless it
4 is revoked by the superintendent.

5 (iii) A waiver that is not a waiver described in subparagraph
6 (i) or (ii) is valid for 1 fiscal year and must be renewed annually
7 to remain in effect.

8 (j) The superintendent shall promulgate rules for the
9 implementation of this subsection.

10 (4) Except as otherwise provided in this subsection, the first
11 6 days or the equivalent number of hours for which pupil
12 instruction is not provided because of conditions not within the
13 control of school authorities, such as severe storms, fires,
14 epidemics, utility power unavailability, water or sewer failure, or
15 health conditions as defined by the city, county, or state health
16 authorities, shall be counted as hours and days of pupil
17 instruction. With the approval of the superintendent of public
18 instruction, the department shall count as hours and days of pupil
19 instruction for a fiscal year not more than 6 additional days or
20 the equivalent number of additional hours for which pupil
21 instruction is not provided in a district after April 1 of the
22 applicable school year due to unusual and extenuating occurrences
23 resulting from conditions not within the control of school
24 authorities such as those conditions described in this subsection.
25 Subsequent such hours or days shall not be counted as hours or days
26 of pupil instruction.

27 (5) A district shall not forfeit part of its state aid

1 appropriation because it adopts or has in existence an alternative
2 scheduling program for pupils in kindergarten if the program
3 provides at least the number of hours required under subsection (3)
4 for a full-time equated membership for a pupil in kindergarten as
5 provided under section 6(4).

6 (6) In addition to any other penalty or forfeiture under this
7 section, if at any time the department determines that 1 or more of
8 the following have occurred in a district, the district shall
9 forfeit in the current fiscal year beginning in the next payment to
10 be calculated by the department a proportion of the funds due to
11 the district under this article that is equal to the proportion
12 below the required minimum number of hours and days of pupil
13 instruction under subsection (3), as specified in the following:

14 (a) The district fails to operate its schools for at least the
15 required minimum number of hours and days of pupil instruction
16 under subsection (3) in a school year, including hours and days
17 counted under subsection (4).

18 (b) The board of the district takes formal action not to
19 operate its schools for at least the required minimum number of
20 hours and days of pupil instruction under subsection (3) in a
21 school year, including hours and days counted under subsection (4).

22 (7) In providing the minimum number of hours and days of pupil
23 instruction required under subsection (3), a district shall use the
24 following guidelines, and a district shall maintain records to
25 substantiate its compliance with the following guidelines:

26 (a) Except as otherwise provided in this subsection, a pupil
27 must be scheduled for at least the required minimum number of hours

1 of instruction, excluding study halls, or at least the sum of 90
2 hours plus the required minimum number of hours of instruction,
3 including up to 2 study halls.

4 (b) The time a pupil is assigned to any tutorial activity in a
5 block schedule may be considered instructional time, unless that
6 time is determined in an audit to be a study hall period.

7 (c) Except as otherwise provided in this subdivision, a pupil
8 in grades 9 to 12 for whom a reduced schedule is determined to be
9 in the individual pupil's best educational interest must be
10 scheduled for a number of hours equal to at least 80% of the
11 required minimum number of hours of pupil instruction to be
12 considered a full-time equivalent pupil. A pupil in grades 9 to 12
13 who is scheduled in a 4-block schedule may receive a reduced
14 schedule under this subsection if the pupil is scheduled for a
15 number of hours equal to at least 75% of the required minimum
16 number of hours of pupil instruction to be considered a full-time
17 equivalent pupil.

18 (d) If a pupil in grades 9 to 12 who is enrolled in a
19 cooperative education program or a special education pupil cannot
20 receive the required minimum number of hours of pupil instruction
21 solely because of travel time between instructional sites during
22 the school day, that travel time, up to a maximum of 3 hours per
23 school week, shall be considered to be pupil instruction time for
24 the purpose of determining whether the pupil is receiving the
25 required minimum number of hours of pupil instruction. However, if
26 a district demonstrates to the satisfaction of the department that
27 the travel time limitation under this subdivision would create

1 undue costs or hardship to the district, the department may
2 consider more travel time to be pupil instruction time for this
3 purpose.

4 (e) In grades 7 through 12, instructional time that is part of
5 a junior reserve officer training corps (JROTC) program shall be
6 considered to be pupil instruction time regardless of whether the
7 instructor is a certificated teacher **OR A TEACHER ENGAGED TO TEACH**
8 **UNDER SECTION 1233B OF THE REVISED SCHOOL CODE, MCL 380.1233B**, if
9 all of the following are met:

10 (i) The instructor has met all of the requirements established
11 by the United States department of defense and the applicable
12 branch of the armed services for serving as an instructor in the
13 junior reserve officer training corps program.

14 (ii) The board of the district or intermediate district
15 employing or assigning the instructor complies with the
16 requirements of sections 1230 and 1230a of the revised school code,
17 MCL 380.1230 and 380.1230a, with respect to the instructor to the
18 same extent as if employing the instructor as a regular classroom
19 teacher.

20 (8) Except as otherwise provided in subsections (11) and (12),
21 the department shall apply the guidelines under subsection (7) in
22 calculating the full-time equivalency of pupils.

23 (9) Upon application by the district for a particular fiscal
24 year, the superintendent may waive for a district the minimum
25 number of hours and days of pupil instruction requirement of
26 subsection (3) for a department-approved alternative education
27 program or another innovative program approved by the department,

1 including a 4-day school week. If a district applies for and
2 receives a waiver under this subsection and complies with the terms
3 of the waiver, the district is not subject to forfeiture under this
4 section for the specific program covered by the waiver. If the
5 district does not comply with the terms of the waiver, the amount
6 of the forfeiture shall be calculated based upon a comparison of
7 the number of hours and days of pupil instruction actually provided
8 to the minimum number of hours and days of pupil instruction
9 required under subsection (3). Pupils enrolled in a department-
10 approved alternative education program under this subsection shall
11 be reported to the center in a form and manner determined by the
12 center. All of the following apply to a waiver granted under this
13 subsection:

14 (a) If the waiver is for a blended model of delivery, a waiver
15 that is granted for the 2011-2012 fiscal year or a subsequent
16 fiscal year remains in effect unless it is revoked by the
17 superintendent.

18 (b) If the waiver is for a 100% online model of delivery and
19 the educational program for which the waiver is granted makes
20 educational services available to pupils for a minimum of at least
21 1,098 hours during a school year and ensures that each pupil
22 participates in the educational program for at least 1,098 hours
23 during a school year, a waiver that is granted for the 2011-2012
24 fiscal year or a subsequent fiscal year remains in effect unless it
25 is revoked by the superintendent.

26 (c) A waiver that is not a waiver described in subdivision (a)
27 or (b) is valid for 1 fiscal year and must be renewed annually to

1 remain in effect.

2 (10) Until 2014-2015, a district may count up to 38 hours of
3 qualifying professional development for teachers as hours of pupil
4 instruction. However, if a collective bargaining agreement that
5 provides for the counting of up to 38 hours of qualifying
6 professional development for teachers as pupil instruction is in
7 effect for employees of a district as of July 1, 2013, then until
8 the school year that begins after the expiration of that collective
9 bargaining agreement a district may count up to the contractually
10 specified number of hours of qualifying professional development
11 for teachers as hours of pupil instruction. Professional
12 development provided online is allowable and encouraged, as long as
13 the instruction has been approved by the district. The department
14 shall issue a list of approved online professional development
15 providers, which shall include the Michigan ~~virtual school.~~ **VIRTUAL**
16 **SCHOOL.** As used in this subsection, "qualifying professional
17 development" means professional development that is focused on 1 or
18 more of the following:

19 (a) Achieving or improving adequate yearly progress as defined
20 under the no child left behind act of 2001, Public Law 107-110.

21 (b) Achieving accreditation or improving a school's
22 accreditation status under section 1280 of the revised school code,
23 MCL 380.1280.

24 (c) Achieving highly qualified teacher status as defined under
25 the no child left behind act of 2001, Public Law 107-110.

26 (d) Integrating technology into classroom instruction.

27 (e) Maintaining teacher certification.

1 (11) Subsections (3) and (8) do not apply to a school of
2 excellence that is a cyber school, as defined in section 551 of the
3 revised school code, MCL 380.551, and is in compliance with section
4 553a of the revised school code, MCL 380.553a.

5 (12) Subsections (3) and (8) do not apply to eligible pupils
6 enrolled in a dropout recovery program that meets the requirements
7 of section 23a. As used in this subsection, "eligible pupil" means
8 that term as defined in section 23a.

9 (13) Beginning in 2013, at least every 2 years the
10 superintendent shall review the waiver standards set forth in the
11 pupil accounting and auditing manuals to ensure that the waiver
12 standards and waiver process continue to be appropriate and
13 responsive to changing trends in online learning. The
14 superintendent shall solicit and consider input from stakeholders
15 as part of this review.

16 Sec. 107. (1) From the appropriation in section 11, there is
17 allocated an amount not to exceed \$22,000,000.00 for 2014-2015 for
18 adult education programs authorized under this section. Funds
19 allocated under this section are restricted for adult education
20 programs as authorized under this section only. A recipient of
21 funds under this section shall not use those funds for any other
22 purpose.

23 (2) To be eligible for funding under this section, a program
24 shall employ certificated teachers **OR TEACHERS ENGAGED TO TEACH**
25 **UNDER SECTION 1233B OF THE REVISED SCHOOL CODE, MCL 380.1233B,** and
26 qualified administrative staff and shall offer continuing education
27 opportunities for teachers to allow them to maintain certification.

1 (3) To be eligible to be a participant funded under this
2 section, a person shall be enrolled in an adult basic education
3 program, an adult English as a second language program, a general
4 educational development (G.E.D.) test preparation program, a job-
5 or employment-related program, or a high school completion program,
6 that meets the requirements of this section, and for which
7 instruction is provided, and shall meet either of the following, as
8 applicable:

9 (a) If the individual has obtained a high school diploma or a
10 general educational development (G.E.D.) certificate, the
11 individual meets 1 of the following:

12 (i) Is less than 20 years of age on September 1 of the school
13 year and is enrolled in the Michigan career and technical
14 institute.

15 (ii) Is less than 20 years of age on September 1 of the school
16 year, is not attending an institution of higher education, and is
17 enrolled in a job- or employment-related program through a referral
18 by an employer or by a Michigan workforce agency.

19 (iii) Is enrolled in an English as a second language program.

20 (iv) Is enrolled in a high school completion program.

21 (b) If the individual has not obtained a high school diploma
22 or G.E.D. certificate, the individual meets 1 of the following:

23 (i) Is at least 20 years of age on September 1 of the school
24 year.

25 (ii) Is at least 16 years of age on September 1 of the school
26 year, has been permanently expelled from school under section
27 1311(2) or 1311a of the revised school code, MCL 380.1311 and

1 380.1311a, and has no appropriate alternative education program
2 available through his or her district of residence.

3 (4) From the funds allocated under subsection (1), an amount
4 as determined under this subsection shall be allocated to each
5 intermediate district serving as a fiscal agent for adult education
6 programs in each of the 10 prosperity regions identified by the
7 department. An intermediate district shall not use more than 5% of
8 the funds allocated under this subsection for administration costs
9 for serving as the fiscal agent. The department shall ensure that
10 the funds allocated under this subsection for 2014-2015 will
11 provide services in 2014-2015 to at least the same number of
12 individuals as the number of individuals who were enrolled in
13 programs funded under this section in 2013-2014. For 2014-2015, 67%
14 of the allocation provided to each intermediate district serving as
15 a fiscal agent shall be based on the proportion of total funding
16 formerly received by the adult education providers in that
17 prosperity region in 2013-2014, and 33% shall be allocated based on
18 the factors in subdivisions (a), (b), and (c). For 2015-2016, 33%
19 of the allocation provided to each intermediate district serving as
20 a fiscal agent shall be based upon the proportion of total funding
21 formerly received by the adult education providers in that
22 prosperity region in 2013-2014 and 67% of the allocation shall be
23 based upon the factors in subdivisions (a), (b), and (c). For 2016-
24 2017, 100% of the allocation provided to each intermediate district
25 serving as a fiscal agent shall be based on the factors in
26 subdivisions (a), (b), and (c). The funding factors for this
27 section are as follows:

1 (a) Sixty percent of this portion of the funding shall be
2 distributed based upon the proportion of the state population of
3 individuals between the ages of 18 and 24 that are not high school
4 graduates that resides in each of the prosperity regions, as
5 reported by the most recent 5-year estimates from the American
6 community survey (ACS) from the United States ~~census bureau.~~**CENSUS**
7 **BUREAU.**

8 (b) Thirty-five percent of this portion of the funding shall
9 be distributed based upon the proportion of the state population of
10 individuals age 25 or older who are not high school graduates that
11 resides in each of the prosperity regions, as reported by the most
12 recent 5-year estimates from the American community survey (ACS)
13 from the United States ~~census bureau.~~**CENSUS BUREAU.**

14 (c) Five percent of this portion of the funding shall be
15 distributed based upon the proportion of the state population of
16 individuals age 18 or older who lack basic English language
17 proficiency that resides in each of the prosperity regions, as
18 reported by the most recent 5-year estimates from the American
19 community survey (ACS) from the United States ~~census bureau.~~**CENSUS**
20 **BUREAU.**

21 (5) To be an eligible fiscal agent, an intermediate district
22 must agree to do the following in a form and manner determined by
23 the department:

24 (a) Distribute funds to adult education programs in a
25 prosperity region as described in this section.

26 (b) Collaborate with education advisory groups of the
27 workforce development boards located in the prosperity region to

1 develop a regional strategy that aligns adult education programs
2 and services into an efficient and effective delivery system for
3 adult education learners.

4 (c) Collaborate with education advisory groups of the
5 workforce development boards located in the prosperity region to
6 create a local process and criteria that will identify eligible
7 adult education providers to receive funds allocated under this
8 section based on location, demand for services, and cost to provide
9 instructional services. All local processes, criteria, and provider
10 determinations must be approved by the department before funds may
11 be distributed to the fiscal agent.

12 (d) Report adult education program and participant data and
13 information as prescribed by the department.

14 (6) The amount allocated under this section per full-time
15 equated participant shall not exceed \$2,850.00 for a 450-hour
16 program. The amount shall be proportionately reduced for a program
17 offering less than 450 hours of instruction.

18 (7) An adult basic education program or an adult English as a
19 second language program operated on a year-round or school year
20 basis may be funded under this section, subject to all of the
21 following:

22 (a) The program enrolls adults who are determined by a
23 department-approved assessment, in a form and manner prescribed by
24 the department, to be below ninth grade level in reading or
25 mathematics, or both, or to lack basic English proficiency.

26 (b) The program tests individuals for eligibility under
27 subdivision (a) before enrollment and upon completion of the

1 program in compliance with the state-approved assessment policy.

2 (c) A participant in an adult basic education program is
3 eligible for reimbursement until 1 of the following occurs:

4 (i) The participant's reading and mathematics proficiency are
5 assessed at or above the ninth grade level.

6 (ii) The participant fails to show progress on 2 successive
7 assessments after having completed at least 450 hours of
8 instruction.

9 (d) A funding recipient enrolling a participant in an English
10 as a second language program is eligible for funding according to
11 subsection (11) until the participant meets 1 of the following:

12 (i) The participant is assessed as having attained basic
13 English proficiency as determined by a department-approved
14 assessment.

15 (ii) The participant fails to show progress on 2 successive
16 department-approved assessments after having completed at least 450
17 hours of instruction. The department shall provide information to a
18 funding recipient regarding appropriate assessment instruments for
19 this program.

20 (8) A general educational development (G.E.D.) test
21 preparation program operated on a year-round or school year basis
22 may be funded under this section, subject to all of the following:

23 (a) The program enrolls adults who do not have a high school
24 diploma.

25 (b) The program shall administer a pre-test approved by the
26 department before enrolling an individual to determine the
27 individual's literacy levels, shall administer a G.E.D. practice

1 test to determine the individual's potential for success on the
2 G.E.D. test, and shall administer a post-test upon completion of
3 the program in compliance with the state-approved assessment
4 policy.

5 (c) A funding recipient shall receive funding according to
6 subsection (11) for a participant, and a participant may be
7 enrolled in the program until 1 of the following occurs:

8 (i) The participant obtains the G.E.D.

9 (ii) The participant fails to show progress on 2 successive
10 department-approved assessments used to determine readiness to take
11 the G.E.D. test after having completed at least 450 hours of
12 instruction.

13 (9) 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 shall receive funding according to
22 subsection (11) 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

1 having completed at least 900 hours of instruction.

2 (10) A job- or employment-related adult education program
3 operated on a year-round or school year basis may be funded under
4 this section, subject to all of the following:

5 (a) The program enrolls adults referred by their employer who
6 are less than 20 years of age, have a high school diploma, are
7 determined to be in need of remedial mathematics or communication
8 arts skills and are not attending an institution of higher
9 education.

10 (b) The program tests participants described in subdivision
11 (a) before enrollment and upon completion of the program in
12 compliance with the department-approved assessment policy.

13 (c) An individual may be enrolled in this program and the
14 grant recipient shall receive funding according to subsection (11)
15 until 1 of the following occurs:

16 (i) The individual achieves the requisite skills as determined
17 by department-approved assessment instruments.

18 (ii) The individual fails to show progress on 2 successive
19 assessments after having completed at least 450 hours of
20 instruction.

21 (11) A funding recipient shall receive payments under this
22 section in accordance with the following:

23 (a) Seventy-five percent for enrollment of eligible
24 participants.

25 (b) Twenty-five percent for participant completion of the
26 adult basic education objectives by achieving an educational gain
27 as determined by the national reporting system levels; for

1 achieving basic English proficiency; for obtaining a G.E.D. or
2 passage of 1 or more individual G.E.D. tests; for attainment of a
3 high school diploma or passage of a course required for a
4 participant to attain a high school diploma; for enrollment in a
5 postsecondary institution, or for entry into or retention of
6 employment, as applicable.

7 (12) A person who is not eligible to be a participant funded
8 under this section may receive adult education services upon the
9 payment of tuition. In addition, a person who is not eligible to be
10 served in a program under this section due to the program
11 limitations specified in subsection (7), (8), (9), or (10) may
12 continue to receive adult education services in that program upon
13 the payment of tuition. The tuition level shall be determined by
14 the local or intermediate district conducting the program.

15 (13) An individual who is an inmate in a state correctional
16 facility shall not be counted as a participant under this section.

17 (14) A funding recipient shall not commingle money received
18 under this section or from another source for adult education
19 purposes with any other funds and shall establish a separate ledger
20 account for funds received under this section. This subsection does
21 not prohibit a district from using general funds of the district to
22 support an adult education or community education program.

23 (15) A funding recipient receiving funds under this section
24 may establish a sliding scale of tuition rates based upon a
25 participant's family income. A funding recipient may charge a
26 participant tuition to receive adult education services under this
27 section from that sliding scale of tuition rates on a uniform

1 basis. The amount of tuition charged per participant shall not
2 exceed the actual operating cost per participant minus any funds
3 received under this section per participant. A funding recipient
4 may not charge a participant tuition under this section if the
5 participant's income is at or below 200% of the federal poverty
6 guidelines published by the United States ~~department of health and~~
7 ~~human services.~~ **DEPARTMENT OF HEALTH AND HUMAN SERVICES.**

8 (16) In order to receive funds under this section, a funding
9 recipient shall furnish to the department, in a form and manner
10 determined by the department, all information needed to administer
11 this program and meet federal reporting requirements; shall allow
12 the department or the department's designee to review all records
13 related to the program for which it receives funds; and shall
14 reimburse the state for all disallowances found in the review, as
15 determined by the department.

16 (17) All intermediate district participant audits of adult
17 education programs shall be performed pursuant to the adult
18 education participant auditing and accounting manuals published by
19 the department.

20 (18) As used in this section:

21 (a) "Department" means the Michigan strategic fund.

22 (b) "Eligible adult education provider" means a district,
23 intermediate district, a consortium of districts, a consortium of
24 intermediate districts, or a consortium of districts and
25 intermediate districts that is identified as part of the local
26 process described in subsection (5) (c) and approved by the
27 department.

1 (c) "Participant" means the sum of the number of full-time
2 equated individuals enrolled in and attending a department-approved
3 adult education program under this section, using quarterly
4 participant count days on the schedule described in section
5 6(7)(b).

6 Sec. 163. (1) Except as provided in the revised school code,
7 the board of a district or intermediate district shall not permit
8 any of the following:

9 (a) A ~~noncertificated~~ teacher to teach in an elementary or
10 secondary school or in an adult basic education or high school
11 completion program **UNLESS THE TEACHER HOLDS A VALID MICHIGAN**
12 **TEACHING CERTIFICATE OR IS A TEACHER ENGAGED TO TEACH UNDER SECTION**
13 **1233B OF THE REVISED SCHOOL CODE, MCL 380.1233B.**

14 (b) A noncertificated counselor to provide counseling services
15 to pupils in an elementary or secondary school or in an adult basic
16 education or high school completion program.

17 (2) Except as provided in the revised school code, a district
18 or intermediate district employing teachers **WHO DO NOT HOLD A VALID**
19 **MICHIGAN TEACHING CERTIFICATE OR ARE NOT ENGAGED TO TEACH UNDER**
20 **SECTION 1233B OF THE REVISED SCHOOL CODE, MCL 380.1233B, or**
21 counselors not legally certificated shall have deducted the sum
22 equal to the amount paid the teachers or counselors for the period
23 of noncertificated or illegal employment. Each intermediate
24 superintendent shall notify the department of the name of the
25 noncertificated teacher or counselor, and the district employing
26 that individual and the amount of salary the noncertificated
27 teacher or counselor was paid within a constituent district.

1 (3) If a school official is notified by the department that he
2 or she is employing a ~~nonapproved-noncertificated~~ teacher or
3 counselor in violation of this section and knowingly continues to
4 employ that teacher or counselor, the school official is guilty of
5 a misdemeanor, punishable by a fine of \$1,500.00 for each
6 incidence. This penalty is in addition to all other financial
7 penalties otherwise specified in this article.

8 Enacting section 1. This amendatory act takes effect 90 days
9 after the date it is enacted into law.

10 Enacting section 2. This amendatory act does not take effect
11 unless Senate Bill No. ____ or House Bill No. 4394 (request no.
12 01883'15) of the 98th Legislature is enacted into law.