

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4407

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 11 and 17b (MCL 388.1611 and 388.1617b),
section 11 as amended by 2021 PA 3 and section 17b as amended by
2007 PA 137.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 11. (1) For the fiscal year ending September 30, ~~2021,~~
2 **2022**, there is appropriated for the public schools of this state
3 and certain other state purposes relating to education the sum of
4 ~~\$13,759,819,500.00~~ **\$100.00** from the state school aid fund, the sum
5 of ~~\$50,964,600.00~~ **\$100.00** from the general fund, an amount not to
6 exceed ~~\$77,700,000.00~~ **\$100.00** from the community district education
7 trust fund created under section 12 of the Michigan trust fund act,

1 2000 PA 489, MCL 12.262. ~~, and an amount not to exceed \$100.00 from~~
2 ~~the water emergency reserve fund.~~ In addition, all available
3 federal funds are appropriated for the fiscal year ending September
4 30, ~~2021.~~**2022.**

5 (2) The appropriations under this section are allocated as
6 provided in this article. Money appropriated under this section
7 from the general fund must be expended to fund the purposes of this
8 article before the expenditure of money appropriated under this
9 section from the state school aid fund.

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

13 Sec. 17b. (1) Not later than October 20, November 20, December
14 20, January 20, February 20, March 20, April 20, May 20, June 20,
15 July 20, and August 20, the department shall prepare electronic
16 files of the amount to be distributed under this act in the
17 installment to the districts and intermediate districts and deliver
18 the electronic files to the state treasurer, and the state
19 treasurer shall pay the installments on each of those dates or, if
20 the date is not a business day, on the next business day following
21 that date. Except as otherwise provided in this act, the portion of
22 the district's or intermediate district's state fiscal year
23 entitlement to be included in each installment ~~shall~~**must** be 1/11.
24 A district or intermediate district shall accrue the payments
25 received in July and August to the school fiscal year ending the
26 immediately preceding June 30.

27 (2) The state treasurer shall make payment under this section
28 by drawing a warrant in favor of the treasurer of each district or
29 intermediate district for the amount payable to the district or

1 intermediate district according to the electronic files and
2 delivering the warrant to the treasurer of each district or
3 intermediate district, or if the state treasurer receives a written
4 request by the treasurer of the district or intermediate district
5 specifying an account, by electronic funds transfer to that account
6 of the amount payable to the district or intermediate district
7 according to the electronic files. The department may make
8 adjustments in payments made under this section through additional
9 payments when changes in law or errors in computation cause the
10 regularly scheduled payment to be less than the amount to which the
11 district or intermediate district is entitled ~~pursuant to~~ **under**
12 this act.

13 (3) Except as otherwise provided in this act, grant payments
14 to districts and intermediate districts under this act ~~shall~~ **must**
15 be paid according to the installment **payment** schedule under
16 subsection (1).

17 (4) Upon the written request of a district or intermediate
18 district and the submission of proof satisfactory to the department
19 of a need of a temporary and nonrecurring nature, the
20 superintendent, with the written concurrence of the state treasurer
21 and the state budget director, may authorize an advance release of
22 funds due a district or intermediate district under this act. An
23 advance authorized under this subsection ~~shall~~ **must** not cause funds
24 to be paid to a district or intermediate district more than 30 days
25 earlier than the established payment date for those funds.